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ASEAN Ministers View APEC Action Agenda

BK1611072895 Kuala Lumpur THE STAR in English 16 Nov 95

[Report by Charles Chan and Harpajan Singh — received via Internet]

[FBIS Transcribed Text] Osaka — ASEAN foreign and economic ministers reached a common understanding yesterday that APEC's [Asia-Pacific Economic Cooperation] trade liberalisation action agenda cannot be forced on countries which face problems in implementing the measures.

In a special informal joint ministerial session chaired by Indonesian Foreign Minister Ali Alatas yesterday, the ASEAN ministers agreed that sensitivities of individual APEC member countries must be respected.

Speaking to newsmen later, [Malaysian Foreign Minister] Datuk Abdullah Ahmad Badawi said there was no resolution at the end of the meeting but only a general understanding of how the APEC free trade process should be implemented.

"This does not mean we disagree with the trade liberalisation agenda. The problem is only over the implementation. It is not to reject the ideas, but we may not be in a position to carry out the ideas.

"It must be recognised that the APEC member countries are at different levels of economic development and the disparity can affect the capability of some countries to carry out the measures.

"The question of domestic sensitivities must be respected. This is the general understanding of ASEAN members," he added.

Abdullah said Malaysia had expressed its reservations during the last APEC summit in Bogor, and this time in Osaka, Kuala Lumpur would reiterate the point pertaining to disparity and "Indonesia understands this point now."

He said it was important that none of the APEC member countries "twist the facts" which would make it difficult for everyone to move forward, adding the understanding must be sincere to enable everyone to benefit.

Abdullah also said that Malaysia wanted APEC membership to be opened to other Pacific nations once the moratorium on membership expired next year to prevent APEC from becoming an exclusive club.

He said other economies in the region should be allowed to come in so that they could also benefit from the framework, adding ASEAN was of the view that Vietnam should be absorbed into APEC since it was now an ASEAN member.

He said Peru should also be considered as a deserving candidate.

Mekong Nations Agree on Infrastructure Fund

BK1211105595 Bangkok THAILAND TIMES in English 12 Nov 95 p A3

[Unattributed report]

[FBIS Transcribed Text] A meeting of economic cooperation between six Mekong river nations has approved to set up an infrastructure fund for development projects under the Mekong river sub-regional cooperation accord, Deputy Prime Minister Amnuai Wirawan said yesterday.

Amnuai said the Asian Development Bank (ADB) would be the coordinator in accumulating funds from various financial institutions to achieve the plan.

He said the 5th meeting hosted by the ADB in Manila also agreed for the private sector to play more of a role in developing projects, worth US$10 billion, under the six-country agreement.

Amnuai said the meeting focused on transportation projects, including Bangkok-Aranyaprathet-Phnom Penh-Ho Chi Minh-Vung Tao, and road No.9 from Thailand's eastern coast through Sa Kaeo, Mukdahan, and Savannakhet to Da Nang in Vietnam, which had been targeted for urgent action .

On telecommunications affairs, the meeting agreed to set up a telecommunications network using fiber optics between the six nations' capitals with Thailand serving as the center.

This project could be implemented shortly after Kunming provincial authorities get approval from the Chinese government.

Mekong River Committee Meets in SRV 20 Nov

BK2111133995 Hanoi Voice of Vietnam in English 1000 GMT 21 Nov 95

[FBIS Transcribed Text] Members of the Mekong River Committee met in Ho Chi Minh City on Monday to discuss international assistance to four countries sharing the river. It included representatives from Cambodia, Laos, Thailand, and Vietnam who reviewed assistance for the Mekong River Committee's organized projects. The meeting was also attended by the World Bank, UNDP [United Nations Development Program], and the Economic and Social Committee of Asia and the Pacific or ESCAP.

Japan

Proposal at Aviation Talks With U.S. Decided

OW2711074195 Tokyo ASAHI SHIMBUN in Japanese 25 Nov 95 Morning Edition p 13

[FBIS Translated Text] On 24 November, the Ministry of Transport [MOT] decided on the plan it will propose during working-level talks limited to bilateral air cargo issues under the Japan-U.S. aviation negotiations, which are set to begin in Washington on 28 November. Concerning flights on the "beyond rights" routes, which stop at Japanese airports before reaching their final destinations in other countries, the MOT decided to impose certain conditions, but basically not to set any restrictions on destinations or the number of Japan-U.S. cargo flights by Japan Airlines, Nippon Cargo Airlines, Northwest Airlines, and Federal Express.

According to the proposal, the MOT does not intend to impose restrictions on the four airlines concerning the number of flights or departure and arrival airports. For example, since the MOT plans to liberalize flights to several airports in Japan and the United States by these companies, Federal Express will be able to fly into local airports via a Kyushu airport or the Shin Chitose Airport, where the company wants to stop. Regarding the opening of new beyond routes, the MOT plans to require negotiations and market demand research, and plans to impose other conditions.

However, the U.S. side is most likely to demand the liberalization of beyond flights, and opposition by airlines other than the four companies is expected. Therefore, the two nations are expected to face difficulty in reaching an agreement based on the MOT's proposal.

Tokyo Predicts Rough Sailing

OW2711091795 Tokyo KYODO in English 0803 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — Japan and the United States will begin three days of aviation talks in Washington on Tuesday [28 November] in a bid to work out a new framework for U.S. cargo flights to Asia, Transport Ministry officials said Monday.

The officials predict rough sailing for the negotiations because both sides are far apart on U.S. demands for expansion of cargo service to Asian countries via Japan under its policy of "friendly skies."

The first round of negotiations held in Tokyo in September broke down over the so-called beyond rights sought by Washington for its airlines.

The officials said Japan wants to limit the number of U.S. cargo flights to Asian countries via Japan and also wants the U.S. to grant favored treatment to Nippon Cargo Airlines in trans-Pacific service in addition to Japan Airlines.

The U.S. side is demanding beyond rights for U.S. airlines without conditions and restrictions attached, they said.

U.S. airlines are pressing for the opening of the civil aviation market in Asia.

Official: Timing of Clinton Visit 'Difficult'

OW2711092995 Tokyo KYODO in English 0915 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — U.S. President Bill Clinton's planned trip to Japan from Jan. 3 may prove "difficult," Vice Foreign Minister Sadayuki hayashi said Monday [27 November].

"I have a feeling it will be difficult to make the visit come true in early January," he told a news conference, referring to U.S. overtures to move up the date to around the beginning of the new year.

Hayashi suggested that Japan will have to reject the U.S. offer to set the date of the U.S. President's visit to around Jan. 3, due to the Japanese imperial family's tight schedule.

State visits to Japan always include an audience with Emperor Akihito and Empress Michiko, making it important to consider the imperial family's schedule in planning state visits by foreign dignitaries.

"We hope he will pay a state visit if possible," the ministry's top bureaucrat said, brushing aside speculation that Clinton may visit Japan from Jan. 3 on an unofficial basis.

Clinton was scheduled to pay a state visit to Japan earlier this month for a summit with Prime Minister Tomiichi Murayama. But he called off the trip due to the federal budget crisis.

Marchers Urge Military Withdrawal From Okinawa

OW2611123895 Tokyo KYODO in English 1207 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 KYODO — Some 1,000 people demonstrated in downtown Tokyo on Sunday [26 November] demanding a complete withdrawal of U.S. troops from Japan's southernmost prefecture of Okinawa and the scrapping of the bilateral security pact.

The action was called by an association of Okinawans living in Tokyo to demonstrate support for Okinawa

Gov. Masahide Ota's refusal to sign documents needed to extend compulsory leases for land occupied by U.S. military facilities.

Ota's refusal was sparked by public outrage in Okinawa over the rape of a local schoolgirl in September, for which three U.S. servicemen are on trial.

Following the sympathy rally for Ota, the participants paraded through Tokyo's Ginza shopping district, carrying banners reading "annul the U.S Japan security treaty" and demanding that the U.S. forces leave Okinawa.

In addressing the rally, Sadako Yonamine, one of the organizers, praised Ota for his refusal to cooperate with the central government over the land lease issue.

"Gov. Ota's refusal to sign is the first step toward an Okinawa free of U.S. military bases. Let us all support the governor and fight together with the Okinawan people for the future of our children," she said.

An elderly protester expressed hope that Prime Minister Tomiichi Murayama will stick to the pacifist principles he used to proclaim in the past as a leader of his Social Democratic Party and not force Okinawans to renew the leases of their land with the U.S. military.

Murayama earlier this month initiated legal action toward that aim.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to some 75 percent of U.S. military installations in Japan.

Panel on U.S. Military on Okinawa Meets

OW2511015195 Tokyo KYODO in English 0128 GMT 25 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 25 KYODO — A joint central government-Okinawa prefectural government panel formed to study issues related to the U.S. military presence in Okinawa met for the first time Saturday [25 November] at the Prime Minister's Official Residence in Tokyo.

The panel will take up such issues as the reduction and consolidation of U.S. Bases in Okinawa and a review of the status of forces agreement covering U.S. military personnel in Japan.

Foreign Minister Yohei Kono, Defense Agency Chief Seishiro Eto, Chief Cabinet Secretary Koken Nosaka and Okinawa Gov. Masahide Ota all attended the first meeting, government officials said.

The central government representatives will hear Okinawa's case concerning the bases in the wake of Friday's meeting between Prime Minister Tomiichi Murayama and Okinawa Gov. Masahide Ota.

At that meeting, Ota pressed Murayama to reconfigure and reduce the number of U.S. bases and troops in the southwestern prefecture and reiterated that he will not sign documents needed to force residents in Okinawa prefecture to lease land to U.S. military facilities.

Ota has refused to cooperate with the central government to enforce land leasing in the wake of the September rape case of a schoolgirl there, for which three U.S. servicemen are on trial.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to some 75 percent of U.S. military facilities in Japan although the prefecture accounts for only 0.6 percent of the nation's land area.

The Saturday meeting will enable the Japanese Government to hear the views of the Okinawa administration for incorporation into the case Tokyo puts to a special Japan-U.S. committee reviewing U.S. military bases in the prefecture.

But Okinawa's hopes that some of the bases will be moved elsewhere within Japan are unlikely to meet with immediate approval for myriad reasons.

Okinawa also wants a revision of the Status of Forces Agreement where it pertains to safety and noise aspects of the U.S. bases, but the Japanese Government is prepared only to settle for discussing the way the treaty is implemented rather than revising the treaty itself.

Ota: Panel Meeting 'Very Fruitful'

OW2511051695 Tokyo KYODO in English 0450 GMT 25 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 25 KYODO — High-level officials of the central and Okinawa prefectural governments began talks Saturday [25 November] on specific ways to reduce problems created by the heavy U.S. military presence in Okinawa.

In the first meeting of a newly established consultative body between the state and prefectural governments, Okinawa Gov. Masahide Ota pressed for a five-point demand ranging from retrenchment of U.S. bases and troops in Okinawa to improvement of conditions connected with the bases.

"It was a very fruitful meeting," the governor of the southern island prefecture told reporters after emerging from the gathering at Prime Minister Tomiichi Murayama's official residence.

"First of all, I asked for reconfiguration and reduction of U.S. bases in a visible manner," said Ota, who has been adamant that the U.S. presence in Okinawa be cut particularly since the rape of a local schoolgirl in September allegedly by three American servicemen.

The rape has intensified longstanding antagonism toward the U.S. presence on the island, with Okinawans demanding that the rest of Japan share more of the burden.

Okinawa, about 1,600 kilometers southwest of Tokyo, is home to some 75 percent of U.S. military facilities in Japan. The prefecture accounts for a meager 0.6 percent of the nation's land area.

Ota has refused to cooperate with the central government to enforce land leasing to U.S. military facilities in the wake of the rape case.

Central government officials at Saturday's talks included Chief Cabinet Secretary Koken Nosaka, Foreign Minister Yohei Kono and Defense Agency Chief Seishiro Eto.

Nosaka said the forum will seek to draw a conclusion in one year on a strategy to realign and consolidate U.S. bases and troops in Okinawa in parallel with a Japan-U.S. consultative body.

Nosaka also said the central and prefectural governments did not dwell on specific items to be dealt with, but he expressed hope that a treaty can be concluded between Japan and the United States that would help ease noise problems on Okinawa — another major complaint.

Ota said he urged a review of the Status of Forces Agreement, Japan's accord with the United States on the legal status of U.S. forces on Japanese soil.

The bilateral agreement became the target of public criticism because the U.S. was not obliged to hand over the rape suspects to Japanese police until after they had been formally indicted by Japanese prosecutors.

But the Japanese and U.S. Governments have agreed not to make any change to the accord for fear that such a move could open the way for a review of Japan-U.S. security arrangements and pose a threat to the bilateral security alliance.

"Instead of revising the accord... [ellipses as received] we are trying to help wipe away concerns of people in Okinawa Prefecture by making substantial improvements" in conditions connected with U.S. bases there, said Nosaka, who is Murayama's main spokesman.

Higashifuji 'Strong Candidate' for USMC Drills

OW2611083995 Tokyo KYODO in English
0749 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 KYODO — The U.S. Forces in Japan have sounded out the Japanese Government about moving Marine Corps [USMC] artillery exercises that have so far been held in Okinawa Prefecture to central Japan, informed sources said Sunday [26 November].

The U.S. side is envisaging the Ground Self-Defense Force (GSDF) base in Higashifuji, Shizuoka Prefecture, as an alternative exercise ground, the sources said. Tokyo, however, wants several GSDF bases to share the burden of hosting the live ammunition drills, they said.

Okinawa, an island prefecture in southwestern Japan, has long called for a halt to the artillery practice since it necessitates the closure of a prefectural road while live rounds are fired.

The Defense Facilities Administration Agency, which has been trying to find a new site for the exercises, has set up a working group under the Japan-U.S. joint committee on the stationing of U.S. troops in Japan to negotiate the matter with Washington.

Agency officials are currently negotiating with five municipalities that are home to GSDF bases where the Marine Corps could conduct artillery drills with the 155-millimeter shells now used in Okinawa.

However, since three U.S. servicemen including two marines have been charged with the abduction and rape of an Okinawan elementary schoolgirl, opposition to hosting the Marine Corps artillery practice has grown stronger among residents of the selected municipalities.

Higashifuji is among the proposed sites, which were chosen from a list of nine alternative exercise grounds.

The U.S. forces argue that the GSDF base in Higashifuji is most suitable because it has separate barracks and sanitary facilities for U.S. military personnel.

In the event of the Okinawa artillery drills being moved to several other places, the U.S. side wants those bases to be furnished with similar facilities, the sources said.

Based on an agreement with local authorities, the Higashifuji artillery range can be used 240 days annually excluding weekends and national holidays, according to GSDF officials.

Allowing some time for the preparation of the exercise ground and clearance of unexploded ammunition, live rounds can be fired during 200 days a year, the officials said.

A high-ranking agency official said that Higashifuji "definitely" is a strong candidate for hosting the drills.

But the official, who requested not to be named, also said it is technically not feasible that the Marine Corps move its entire artillery practice there.

"We hope to win the understanding of the U.S. side for our proposal to distribute the practice to several places," the official said.

Tokyo Seeks To Limit Security Accord Expansion

OW2711055495 Tokyo KYODO in English 0504 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — Prime Minister Tomiichi Murayama will ensure in talks with U.S. President Bill Clinton in January that the scope of the bilateral security treaty will not be expanded beyond the Far East, Chief Cabinet Secretary Koken Nosaka said Monday [27 November].

During meetings with Murayama on Friday and Saturday, Okinawa Gov. Masahide Ota expressed concern that such an expansion may be agreed to during a Murayama-Clinton meeting, which has been rescheduled from late November to January.

"I think the prime minister will mention that concern in discussions with President Clinton," Nosaka said.

The itinerary of Clinton's visit to Japan has not been set yet, Nosaka said.

The security treaty provides that the U.S. military is allowed to use land and facilities in Japan to contribute to the security of Japan and maintain peace in the Far East.

Ota is worried that local U.S. bases will remain permanently should their roles be expanded. Some 75 percent of U.S. bases in Japan are clustered in the southernmost Japanese prefecture of Okinawa, which accounts only for 0.6 percent of Japan's land area.

The Okinawa people have stepped up demands for local U.S. base cutbacks since an Okinawa schoolgirl was raped in early September, allegedly by three U.S. servicemen.

Meanwhile, Vice Foreign Minister Sadayuki Hayashi made it clear that the extent of the bilateral security pact will not be given a broader interpretation in a joint statement to be released after Murayama and Clinton meet in Tokyo.

He noted that the declaration cannot override the security treaty and expand its scope beyond the Far East, saying, "we don't expect this to be changed at all."

"It's impossible for the joint declaration to change this," Hayashi said.

Envoy to U.S. on Ties, Bilateral Security

OW2711103295

[FBIS Editorial Report] Tokyo FNN Television Network in Japanese at 2307 GMT on 25 November, during its "News 2001" program, carries a 38-minute interview with Kunihiko Saito, newly-appointed Japanese Ambassador to the United States, by Yuji Kuroiwa at the FNN studio in Tokyo.

At 2307 GMT, Kuroiwa begins the interview by asking Saito's decision to assume the office of ambassador to the United States. Saito says the bilateral relationship is basically tight and amicable despite several tough questions facing the two nations, and stresses the need to try hard to work out solutions to those problems. Regarding the report that U.S. President Bill Clinton is likely to visit Japan early next year, Saito makes assurances of the visit, adding that the schedule has not been decided on yet. He says: "I understand that President Clinton had no other option but to cancel his visit to Japan to tackle an extremely serious domestic situation. His decision does not indicate that the United States has made light of its ties with Japan." Asked about the possibility of the trade issue coming to the forefront again in view of next year's U.S. presidential election, he says: "I think the election itself will only focus on U.S. domestic issues. However, in considering the wide-spread economic ties between the two nations, we cannot exclude the possibility of the bilateral trade issue arising again in the future."

Kuroiwa then asks Saito for his view on the worsening U.S. sentiments toward Japanese bureaucrats because of the Daiwa Bank scandal. After expressing his regret over the incident, Saito denies that it will fundamentally impair bilateral relations.

Asked about a report that the United States seems to give priority to ties with the PRC over those with Japan, he says Japan- U.S. ties will remain secure as long as they share the same basic national ideology.

At 2327 GMT, the topic shifts to Japan-U.S. security arrangements. While noting that the majority of Japanese citizens understand the significance of the security arrangements, including the need for stationing U.S. Forces in Japan, Saito stresses that efforts should be made to minimize the local residents' suffering caused by military bases, and that the unfair circumstances in which military bases are highly concentrated in Okinawa should be improved.

In explaining why the redefinition of the Japan-U.S. security arrangements is necessary, Saito says: "Even in the post-Cold War era, there are several factors of uncertainty in Asia, such as conflicts between North and South Korea, and the strained relationship between the PRC and Taiwan. Under such circumstances, the bilateral security arrangements must be maintained." He says the idea of Japan building a defense system to respond to every possible crisis is not realistic, stressing the need for relying on a U.S. deterrent force. He adds: "There is no doubt that the presence of U.S. Forces in Japan is essential not only to Japan's security, but also the security of Asia as a whole. Asian nations also hope that the Japan-U.S. security arrangements will be firmly maintained."

At 2345 GMT, the interview concludes.

Editorial Views Asian Security, U.S. Role

OW2611102495 Tokyo ASAHI SHIMBUN in Japanese 24 Nov 95 Morning Edition p 5

[Editorial: "Efforts To Be Made To Nurture Changes in Asia — Insight Into Japan-U.S. Security Arrangement"]

[FBIS Translated Text] The Asia-Pacific Economic Cooperation (APEC) forum held in Osaka has given the impression that this organization could also provide an important opportunity for building confidence that would be beneficial to regional security.

Several moves in this regard have been made. A case in point are the talks held by Chinese President Jiang Zemin and Philippine President Fidel Ramos over the territorial issue on the Spratly (Nansha) Islands in the South China Sea, a source of tension in East Asia.

The two top leaders reconfirmed the "principles of action" on which the two governments reached an accord last August. The principles comprise observation of the Convention on the Law of the Sea, elimination of armed force, and freedom of navigation. President Jiang indicated China's intention to try to avoid conflicts on the basis of these principles, saying that "they are useful to the peaceful solution of territorial and other disputes."

A Step Forward in Confidence Building

Another move is China's publication of its first white paper on defense in preparation for the APEC Osaka forum.

Although it stresses China's intention to promote disarmament, the report is far from transparent about its military expenditures and arsenal. Still, the United States and many other countries praise the fact that China has kept the pledge at the ASEAN Regional Forum (ARF) in August, calling it a step forward in confidence-building efforts.

While East Asian countries continue to be a center of economic growth in the post-Cold War years, they are still beset by many destabilizing factors. Examples of tensions left over from the Cold War, such as the issues on the Korean peninsula and Taiwan, have not been eliminated. As evidenced by its nuclear tests and human rights stance, China, which has strong influence on the future of this region, continues in its own style of a strong position in diplomacy.

As for its territorial claim over the Spratlys, which are within an undersea oil field, China has maintained that the issue has already been settled by history, and that there is no need for multilateral negotiations. China has not basically changed its stance.

Moreover, this part of the world has not been favored by conditions that allow regionwide dialogue over security as was the case with European countries. Overwhelmed by colonial domination of the big powers for so many years, and through proxy wars conducted for the sake of big powers, countries of the region could not afford to discuss mutual security. Nor can the fact that the region is extremely diverse in religious and ethnic realms be ignored.

Even so, extensive efforts are being made to explore new possibilities in various realms.

One of the new moves is China's gradual flexibility: It has agreed, for the first time, to hold high-level talks with ASEAN countries on political and security issues. Behind such a changed attitude lies the ASEAN diplomatic efforts to shore up confidence and security by involving China.

Neither the argument for a "China threat" nor the creation of an international climate that may hinder its economic development will benefit China. It would be no understatement to call the common goal of economic growth the driving force in the quest of multilateral security. That was borne out in the creation of the ARF last year.

Attempts have already been made to avoid military conflict over the Spratly Islands through multilateral cooperation.

At an unofficial meeting held last month, China, Taiwan, Vietnam, the Philippines, Brunei, and Malaysia — the countries that have claims to the Spratly Islands — agreed to investigate the ecosystem of fish and coral in the South China Sea and to embark on joint ventures to establish sea lanes and promote fisheries. There still remains the difficult problem of how to work out a concrete system of cooperation. However, it was the first meaningful accord in six years of unofficial consultations.

Moves Noted in Preventive Diplomacy

Another new move is that great importance has come to be attached to the role played by preventive diplomacy in preventing or containing the expansion of conflicts. That was the result of attention given to the distinctive nature of regional conflicts in the post-Cold War period.

In a recent symposium held at the United Nations University in Tokyo, Douglas Johnston [name as transliterated], vice president of the Center for Strategic and International Studies in the United States, and others pointed out that many conflicts in the post-Cold War years transcend national boundaries and preventing or resolving them will require an international framework that includes neighboring countries, as well as the parties in conflict.

At the same time, it was also emphasized that problems cannot be solved unless the people concerned face up to such factors as nationalism and religion; and that not only military strength but also efforts by nongovernmental organizations (NGO) and citizens as well are indispensable to correcting social injustice that has resulted from conflicts.

It goes without saying that tension on the Korean peninsula and across the Taiwan strait cannot be considered only in this perspective. As has shown in the potential resolution of the nuclear issue connected with the DPRK (North Korea) through international cooperation on its energy shifting, reality precisely indicates that preventive diplomacy and international cooperation have gained in importance.

It would be too optimistic to think that a framework for regional security, such as the one for European countries, can be formed overnight. However, it is apparent that a trend quite different from that of the Cold War era has now come into being.

The ASEAN countries aim to conclude a treaty to establish a nuclear-free zone at the summit talk to be held by the year's end. This is quite different from the Cold War years when countries in the region attached great importance to the "nuclear umbrella." Such nascent changes should be nurtured.

Efforts To Be Made To Reduce Weight on Military Strength

The United States is also painfully aware of the need for a multilateral mechanism to solidify confidence in the region and to prevent conflicts.

Last week, President Bill Clinton expressed his hope that security cooperation among Asian countries will lead to a regional framework like the APEC in economic affairs and that arrangements similar to the "Partnership for Peace" between the NATO and East European countries and Russia will come into being as well.

It does not mean that the United States has changed its argument that the Japan-U.S. security arrangement will continue to be the foundation for regional security.

If the U.S. troops should be withdrawn, the result could be an arms race to establish "a balance of power" between Japan and China, and preparations for any contingency on the Korean peninsula cannot be neglected. Multilateral frameworks should be regarded as merely supplementary to the alliances between Japan and the United States and the ROK and the United States.

It is of significance, however, that the U.S. Government itself has such concepts.

Let us take a long-term view. If sources of conflicts are reduced as the economies develop, the major player for regional security will inevitably shift from the United States to the countries in the region. The U.S. Government, too, has begun to consider inevitable changes after the end of the Cold War as a reality.

The biggest challenges for the East Asian countries in the years ahead may be social unrest arising from contradictions and discrepancies in social status, as well as problems connected with natural resources and environment that may result from rapid economic growth. These are exactly the problems that should be dealt with by preventive diplomacy and multilateral cooperation.

If Japan can face up to this trend, the shape of the security arrangement that we should aspire to will come into view.

The targets now should include: Expansion of the function of confidence building and preventive diplomacy that have been set into motion mainly by ASEAN countries; enhancement of the dialogue on security in northeast Asia by having the United States and China participate in it; and the reduction of U.S. forward deployment of its military forces, as tension is relaxed and disarmament is promoted, thereby reducing the possibility of the presence of U.S. troops themselves becoming a source of tension.

As such efforts are being made, measures should be taken to build a multilateral framework for security. This means reducing military aspects of the security arrangement between Japan and the United States. It is important to break away from the notion that "everything should be based on an established military alliance." By so doing, the future of the security arrangement must be defined in a new perspective.

Editorial on Multilayered Security System

OW2611102295 Tokyo MAINICHI SHIMBUN in Japanese 25 Nov 95 Morning Edition p 5

[Editorial: "Creation of a Multilayered Security Arrangement Urged — Global Economic Cooperation Is Expected"]

[FBIS Translated Text] Hisashi Owada, ambassador to the United Nations, advocated a theory of "handicapped nations" during his years of service as vice foreign minister. Former Vice Foreign Minister Kunihiko Saito, who succeeded Owada, also pledged that he would champion this concept.

In Mr. Owada's own words, the theory maintains: "Due to past actions and people's beliefs, Japan cannot participate in 'some specific actions' even if they are taken for the common benefit of the international community. However, Japan will make it up by making more than sufficient sacrifices to fulfill responsibility as a member of the international community. And this should be taken as an orientation for the nation." It is a definite guideline. However, it is regrettable that no Foreign Ministry officials have been heard to state such a determination recently.

The theory of "handicapped nations" is full of significance, and it has something more profound than the concept oriented to "an ordinary nation." Two points at issue are: What are the "specific actions" in which Japan cannot participate; and is Japan is ready "to make more than sufficient sacrifices."

Nothing Can Be Settled by Merely Shouting "Go Home!"

Let us narrow down our argument to Japan's security arrangement.

The security arrangement is not limited to its military aspect. In a broader sense, the security arrangement concerns diplomatic efforts to avoid conflicts; multilateral cooperation aimed at preventing conflicts; the elimination of poverty which is the source of conflicts; and also efforts to deal with those global problems connected with energy, environment, and population. In essence, the latter is more important than the former.

Nevertheless, when viewed from the military aspect, Japan's security is supported by the Japan-U.S. security arrangement and the Self-Defense Forces [SDF].

We support the security arrangement based on the following reasons: First, it is a proof of Japan-U.S. friendship; second, it contributes to peace and security in Japan; and third, it provides peace of mind for neighboring countries.

Former U.S. Ambassador to Japan Mansfield used to say that "the Japan-U.S. relationship is the most important bilateral relationship in the world." Today, this remark still remains convincing. Let's think it over: The gross national product [GNP] of our two countries accounts for about 40 percent of the total GNP in the world. Thus, it is the responsibility of our two countries to promote cooperation based on a global standpoint.

Nevertheless, there are actions that Japan can take and also others that Japan cannot. The "specific actions" that Japan cannot participate in are collective military actions. This controversial point has existed since the conclusion of the Japan-U.S. security treaty.

While the United States is responsible for defending Japan, Japan is incapable of defending the United States. To make up for this inequality, an additional article indicates that Japan is obliged to provide military bases. In this connection, the demand for "the U.S. forces to leave Japan" will eventually result in nothing but the breakdown of the Japan-U.S. security arrangement.

However, it does not follow that the U.S. forces can use the military bases in Japan at their own will. Prior consultations between Japan and the United States are called for whenever the U.S. forces plan to make important changes in equipment or arrangement, or when the troops are to be dispatched from Japan to join in combat operations. This is known as the system of prior consultation.

However, in the 35 years since the Japan-U.S. security treaty was concluded, there is no record that prior consultations have been conducted even once But it does not follow that no incidents that required consultations have ever taken place.

It is unnecessary for us to go so far back as the Vietnam War. During the Gulf war just a few years ago, the U.S. forces made the most of the bases in Japan. Japan adheres to the three nonnuclear principles of not possessing, not producing, and not introducing nuclear arms. However, the principle of "not introducing" nuclear arms into Japan has proved to be almost nothing more than a scrap of paper. The government has tolerated it from the standpoint that Japan has to rely on the "nuclear umbrella" of the United States.

A series of cases indicating Japan's uncertain attitude has caused dissatisfaction among the people and resulted in accumulated distrust. The rape of a schoolgirl in Okinawa has kindled this smoldering discontent.

Moreover, to smoothly carry out its duty as the "world's police," the U.S. forces have asked the SDF to provide cooperation. However, there is a concern that depending on the nature of cooperation, SDF may be asked to provide cooperation that is close to collective military action. in a sense different from the base-related issue, this problem has further aroused anxiety among the people.

Turn Japan Into a Base for Achieving Peace

Let us go back to our starting point again. We stated our support for the Japan-U.S. security arrangement. It is true that we support this arrangement on the basis of preconditions as to whether the pledges such as prior consultations are observed and as to whether the "specified actions" are understood. And above all, it is essential that we adhere to this conviction.

When the security treaty was revised in 1960, a section on political and economic cooperation was added to Article Two. It stipulates that Japan and the United States should cooperate with each other "in promoting further development of international relations of peace and goodwill." Are there any ideas for upgrading this cooperation to a global scale? We believe that it is exactly such a security arrangement that is in line with the post-Cold War period.

It is desirable to work out a multilayered security arrangement. The ASEAN Regional Forum (ARF), which can be regarded as a multilateral security arrangement, has started. The dialogue on northeast Asian regional security is also under way. We are not overly optimistic about their results. However, efforts should be made to nurture them with great care. No efforts should be spared if they are to be made for this purpose.

We hope that Japan will be turned into a base for achieving peace. Repeated efforts should be made to promote nuclear abolition, disarmament, and the restriction of arms production, no matter where we are asked to go. With a firm determination, we must engage in creating a nuclear-free zone in the Asian-Pacific region. Do not laugh at this as "unreality." The United States was opposed to the creation of a multilateral security framework such as the ARF until just a few years ago. This system now has support from the United States, and China as well.

It is the establishment of friendly relations through profound economic and personnel exchanges that constitutes the cornerstone for the security arrangement.

Above all, Japan's security depends on peace and stability on the Korean peninsula and in China. In this connection, China and the ROK are countries of great importance to Japan in a sense different from that of the United States.

Japan's contributions in the military aspect is limited. "To make more than sufficient sacrifices to make up," what sacrifices should Japan make, and how? It is quite certain that Japan will not be asked to do merely some "whitewashing." Japan should be ready to shoulder unlimited burdens.

Efforts should be made to present this determination to the people and win the national consensus. Precisely herein lies the significance of "redefining" the security arrangement.

Scholars on U.S., European, Japanese Differences

952A0720A Tokyo CHUO KORON in Japanese
1 Aug 95 pp 262-279

[Article by Eisuke Sakakibara, chief, International Finance Bureau, Ministry of Finance: "Is Japan Really Different?"]

[FBIS Translated Text] *It is hard to believe that F. Fukuyama's universalistic, neo-classical paradigm can apply all to Japan, the United States, and Europe. Both the individualism in Europe and the United States and the Japanese-style modern system are alive and well, and it seems that interactions between these two systems will determine the future course.*

A Study of the Japan-as-Different Paradigm

The Japan-as-Different Paradigm Has Become a Mainstream View

Intellectuals in Japan and the world seem to have reached an agreement on a view that the current Japan and the world are in the midst of major changes. They also seem certain that one of the important factors for these changes was the collapse of socialism, or the end of the Cold War. However, there doesn't seem to exist an agreement on the nature of these changes facing us or on the scale of these changes.

The standard view in Japan focuses on the end of our postwar structure (that is, the 1955 structure in political terms, and the 1940 structure in economic terms), or on the end of the government-led, catch-up structure since the Meiji Restoration. According to this view, Japan has at last become equal to the other mature advanced countries, and therefore it should grow out of the developmental state as Chalmers Johnson calls it, and strive to become an "ordinary country" equipped with consumers' rights and election-based "democratic rights."

On the other hand, although still a minority, some people gradually began to state strongly that these changes are more deep-rooted, and that we must change the very structure of our mass consumer, or mass democracy, society. For example, Keishi Saeki on Americanism, saying that as Japan is more Americanized as a mass society than the United States, transforming Japan into an "ordinary country" runs counter to needed changes.

Also, when environmental issues are taken into consideration, a more fundamentalist viewpoint toward changes becomes apparent. For example, Takeshi Umehara says that although he acknowledges that environmental destruction was greatly accelerated by the Western industry-based civilization since the end of the 18th century and by the Americanism since the 20th century, he believes that what needs to be taken up as an issue is the civilization of agriculture and cattle-raising for the last 10,000 years or so, and the resulting humancentric ideology. In other words, he contends that we, humans, have strengthened our control over nature by killing deities of nature one after another, and thereby destroying the global environment, our very place for survival. Speaking of fundamentalists, Takanori Matsui, who speaks of the universe, is in the same category. He believes that the present age is a remarkable, epoch-making period in the 4.6 billion-year history of the earth, and that the essential nature of this era of changes is its important aspect of whether the human race, which evolved over 10,000 years since the development of the agricultural and cattle-raising civilization, will be able to establish itself as a stable subsystem within the global system.

As noted above, two viewpoints being formed in Japan seem to be the mainstream, developmental-stage-type revisionism, that is, the Japan-as-different paradigm; and the minority, fundamentalism, that is, the view of historical relativism. Some people may disagree to this equating of the mainstream viewpoint with the Japan-as-different paradigm. But, it must be remembered at the least that this view is strongly biased toward the humancentric ideology and the West-European-centered (or U.S.-centered) point of view.

Is the West Truly "Universal"?

In a sense, the two different viewpoints on changes that are observable in Japan seem to accurately reflect two viewpoints that are currently developing in the press in Europe and in the United States.

Japan's mainstream revisionism is comparable to the one that can be named as neo-classical universalism, which in the main is supported strongly by economists and those involved in economic journalism and multinational corporations. Needless to say, the victory of this neo-classical universalism was loudly proclaimed by F. Fukuyama in his book, *The End of History and the Last Man.* (published by The Free Press in 1992). As the developmental-stage-type revisionism is the mainstream view in Japan, this Fukuyama-style universalism seems to be becoming a strong ideology not only in the United States and Europe but also in Asia, including Japan.

"As the socialist bloc in Europe collapsed, and in Asia, China began to liberalize and reform its economy in full scale, the modern world is about to enter the era of universalism.' Main ingredients of this universalism are parliamentary democracy in politics and economic liberalism and market economies in economics. This universalism has its historical origin in Europe, and has been developed into a universalistic' principle in the United States, a "republic of ideologies," since the end of World War II" (per Yonosuke Hara, "Regional Characteristics of Economic Development: A Methodological Memorandum for Analyses," in the February 1995 issue, Number 75, of "TOYO BUNKA").

Antitheses to this economic-centered "universalism" are historicism, particularism, and theories on civilization.

Based on the Toynbee-style idea of civilization, S. Huntington states that the world in the future will not be based on "universalism" or the age of ideology, but will be characterized by interactions among seven or eight blocs of civilizations, or confrontations thereof (per Samuel Huntington, "The Clash of Civilizations," in the summer 1993 issue of FOREIGN AFFAIRS). This statement sounds quite reasonable because we are faced with new conflicts in Bosnia-Herzegovina and in Central Asia. Although it is not apparent from his writing in "The Clash of Civilizations" how strongly Huntington himself is conscious of these conflicts, what clearly underlies this Toynbee-Huntington-style idea of civilization is assessment of the modern civilization in Europe in relative terms. In this sense, therefore, these historians' viewpoints can be considered as directly opposed to the Fukuyama-style "universalism."

Recently, such assessment of Western civilization in relative terms has been increasingly conducted by intellectuals in continental Europe, particularly in France. Jean-Marie Ghenot [as transliterated], for example, states that the foundation for a citizen state will be obliterated by the globalism itself, which in part will spread the U.S.-style economic system, and as a result parliamentary democracy will cease to exist (per Jean-

Marie Ghenot [as transliterated], *The End of Democracy*, translated by Yoichi [transliteration of family name not given], and published by Kodansha in December 1994). Also, Pierre Le Rousche [as transliterated] contends that "the Fukuyama-style frantic and premature prediction" is wrong, and painstakingly enumerates accounts of the "New World's" disorderly state and confusion (per Pierre Le Rousche [as transliterated], *New World Disorder*, translated under supervision of Gen Miho, and published by Nihon Hoso Shuppan Kyokai in October 1994).

Another powerful challenge against the neo-classical universalism is being carried out from the standpoint of economics by Masahiko Aoki and other Stanford Group members in their comparative institutional analyses.

"Because of the limited rationality of economic beings, the asymmetry in allocation of information among people, and the market imperfection, a universal economic system with standard values irrespective of time and space does not exist in the first place. It will prove to be a futile exercise to apply mechanically the essential elements of the Walras theory of general market equilibrium, which is a conceptual product, to how the economic relationship between Japan and the United States should be, or to how system reform should be carried out to transform socialism to a market-based economy. Rather, by simply acknowledging the existence of multiple economic systems, we must focus our analyses on the origin and evolution (development over time) of these systems, comparative advantages and disadvantages, and the possibility of economic benefits that can be derived from this diversity. Here, analyzing market-based systems is not sufficient; it is necessary to analyze the interdependency among various economic systems that are intertwined in a complex manner. As tools for such analyses, most helpful will be the analytical language that has been accumulated in recent years through a spectacular progress in information economics as well as in game and contract theories, and is being shared in common by economists in the world. In short, CIA (comparative institutional analysis) aims at universal analyses of multiple economies'" (per Masahiko Aoki, *Evolution and Multiplicity of Economic Systems: Introduction to Comparative Institutional Analyses*, published by Toyo Keizai Shimposha in April 1995).

As long as the Fukuyama-style ideology strongly advocates the universality of Western civilization or the neo-classical model, its listeners—mainstream intellectuals in Japan and in Asia—will have to acknowledge that based on the idea of Asia and Japan as late comers, their political and economic systems are different and backward. This is why we define mainstream intellectuals in Japan as revisionists. They provide no room for existence of a Japanese-style (or Chinese-style) capitalism, a Japanese-style (or Singapore-style) democracy, and so on; in essence, their concern is how close the Japanese system is to the model of universal capitalism or of democracy. This universal model has its "historical origin in Europe," and was developed in "the United States, a republic of ideologies'."

On the other hand, the Toynbee-Huntington-style idea of civilizations puts the West in relative terms, and considers civilizations themselves as being relative. In this sense, it shares some common grounds with antimainstream intellectuals in Japan. Also, the comparative institutional analyses of the Stanford Group treat the neo-classical paradigm, which is based on the Walrus-style general equilibrium model, in relative terms from the viewpoints of economic theories; they shed light on the origins and historical transformations of different economic systems, and thereby try to find "benefits of diversity" based on coexistence of diverse economic systems. This stance of Aoki and others in search of merits of diversity in economic systems can be considered as an applied economic theory of the Toynbee-style theory of civilization, which acknowledges the diversity of civilizations and its significance. Following this stance, what we need to take up as issues now are to find out through comparative civilizations and comparative institutional analyses about the future directions that need to be taken for our various civilizations, including Western civilization, or for our various social and economic systems, rather than how to expand the Western civilization or the neo-classical paradigm as a universal model.

Comparison of Systems Is Indispensable for True Reform

These two basic ideas—the Fukuyama-style universalism and the relativism of comparative civilizations and comparative institutional analyses—are now crashing against each other in Asia as their main stage; and, through these interactions, history is about to make a major move.

In more concrete terms, the difference between these two ideas is about to affect policy measures regarding the direction, scale, and speed of "reform" in Japan and of "reform and liberalization" in Asia. In Japan, the Fukuyama-style universalism/revisionism, is still commanding a dominant position in the press as well as in the political and administrative circles. But, as "reform" is about to enter the stage of full-scale implementation, reexamination of the theoretical basis and corroborative evidence of this universalism/revisionism became one of our important motivations to form this "Research Forum on Social and Economic Systems for the 21st Century." Of course, what the government ministry, not the academic circle, can accomplish in less than a year is quite limited; but as long as we can present some issues as a result, we will have accomplished most of our original intentions. As part of this research, institutional comparisons among Japan, the United States, and Europe were designed to collect corroborative evidence. Our main research issues are 1) whether Japan is actually "different" in comparison to the United States and Europe, and 2) whether the neo-classical model that has been universalized mainly in the United States is truly "universal" and practiced, or about to be implemented, in the United States and Europe. Of course, it is impossible to understand completely in a short period of time the details of these systems and their historical and cultural backgrounds. In addition, our comparisons are different from those of the Stanford Group; we are neither basing our study on a theoretical framework nor planning to construct such a framework. However, it seems quite necessary as a sort of preparatory work to survey the current conditions of various systems in wide-ranging areas as in a comparative institutional study. In the following, main points of our interim report are summarized.

Comparison of Japanese, U.S., and European Systems

I. A Preparatory Study

Now, before presenting tentative results of our comparison of systems in each of such areas as politics, economics, administration, corporate organizations, employment, and wages, we would like to present our preparatory study.

Systems were compared among Japan, France, Germany, England, and the United States, of which four countries clearly belong to the Western civilization bloc, or the Christian-based cultural bloc, and only Japan belongs to the East Asian civilization bloc, or some corollary culture. In this sense alone, therefore, it is self-evident without making system comparisons that Japan is "different." Nevertheless, our analytical position is to verify whether Japan is equipped with "modern" systems; it holds that "modernization" and "industrialization" are neutral to civilizations. In other words, although we acknowledge, as Max Weber contended, that there were some interactions between the Western civilization and religion on the one hand and modernization and industrialization on the other, we believe that the civilization on which Japan is based has also been able to coexist with modernization and industrialization without major changes in its essential nature. Therefore, while Japan belongs to a "different" civilization bloc, it is sufficiently possible to say in terms of "modernization" of its systems that Japan is not "different." The Japanese-style capitalism can coexist with the Anglo-Saxon-style capitalism, as the Rhine-Alpine-style capitalism can. (See Michel Albert, *Capitalism vs. Capitalism*, translated under supervision of Hiroyuki Hisamizu, and published by Takeuchi Shoten in 1992.)

This is an extremely important point when we ponder upon Asia's modernization and industrialization in the future. That is to say that logically speaking, not only the Japanese-style capitalism but also the Chinese-style capitalism and the India-style capitalism can also coexist—an indirect refutation of the Fukuyama-style universalism.

With respect to our second point, or the universality of the neo-classical model in Europe and the United States, there are interesting results of a questionnaire survey on universalism vs. particularism (see Charles Hampden-Turner and Alfons Trompemaams, *Seven Cultures of Capitalism*, published by Currency Doubleday, N.Y., in 1993). According to the survey results, culturally the United States values universalism most, but France and Italy subscribe to particularism more than Japan. The questionaire asked businessmen two questions that were divided between rules and friendly relations. Those who responded that rules took precedence [over friendly relations] were 94.5 percent in the United States, 92.0 percent in Germany, and 83.0 percent in England, compared to 61.0 percent in Japan, 51.5 percent in Italy, and 50.0 percent in France. Also, on another question that asked whether a corporation should be viewed as a functional group to make profits or as a kind of a communal organization, the responses in France were directly opposite to those in the United States. In a sense, this question distinguished between the gesellschaft-type universality and the gemienschaft-type universality, pointing out one way of testing the universality of the neo-classical mode. Here, those who took the stance of functional universalism were 55.0 percent in the United States, 34.5 percent in England, 33.5 percent in Germany, 26.4 percent in France, and 18.5 percent in Japan. Regarding this clearly characteristic way of response in France, the author of "The Seven Cultures of Capitalism" states that it probably has a historical background, and that this tendency of particularism is reflected strongly in the current attitude of France toward Eastern Europe and the viewpoints of French Canadians in Canada. In this sense, therefore, it is understandable that Michel Albert, Jean-Marie Genot [as transliterated], and many other French people oppose the Anglo-Saxon-type universalism and the mainstream ideology in Europe and the United States, showing a characteristic position of France in Europe and the United States.

Also, when we compare Germany and France with England and the United States, it becomes quite clear that the former two countries have relatively good labor-management relations, cooperative industries, and long-term or bank-centered financing, and that the latter two countries have a tendency toward competitive and possessive individualism. Here, possessive individualism means a way of thinking that was developed by such English philosophers as Hobbs and Locke in the 17th century; it places supreme importance on individual freedom and property rights, and considers market and political systems as a means to protect these values (per C.B. Macpherson, *Political Theory of Possessive Individualism*, translated by Wataru Fujino and others, and published by Godo Shuppan in 1980). As to be mentioned later, a significant change can be recognized on this point due to the progress in EU integration over the past five to ten years and globalization, but it seems quite doubtful whether the Rhine-Alpine-style capitalism and the Anglo-Saxon-style capitalism have been truly converging as Michel Albert suggests. But, in any event, it seems to be the fact that even within Europe and the United States, the Fukuyama-style universalism and the French-German-style particularism are influencing and competing against each other.

II Politics and Administration

A standard view on Japan's politics and administration is that reflecting the catch-up process since the Meiji era, the Japanese system has been strongly influenced by governmental leadership, and that the interests and opinions of politicians and citizens are not reflected in a democratic way. The recent increase in criticism against the close relationship among politicians, bureaucrats, and businessmen seems to stem from the belief that this government-led system has strong "antireform" tendencies, such as protection of vested interests and the status-quo.

On the surface, such a view held by mainstream journalists and commentators sounds reasonable; but examined from a different angle, this view is based on a firm belief that Japan's politics and administration are "backward"—a typical example of the Japan-as-different theory. According to this view, now that the catch-up process is over, and the 1955 structure has collapsed, it is necessary to create a politically-led, mature democracy with firmly established "civil rights" by "reforming" this "backward," government-led system.

First, a problem with this kind of a Japan-as-different hypothesis is that it equates politicians with citizens just because the former are entrusted by the latter through elections, thinking of everything in terms of politicians vs. bureaucrats, or civil rights vs. government authority. This point, however, is not elaborated further here, because it was discussed in detail before (see Eisuke Sakakibara, "The Plan for the 21st Century, Addressed to Incorrigible Advocates of the Japan-as-Different Theory: Part 1," in the March 1995 issue of HATSUGENSHA). A more natural framework would be public vs. private, the division of authority between legislation and administration in the public sector, or the roles of politicians in this context.

Second, a much larger issue is whether the interests and opinions of the private sector or the citizens are in fact reflected in Japan's politics and administration. In our opinion, the system in Japan seems to be democratic enough for the mass at least in comparison to that in Europe and in the United States. So, let's begin with our comparative analysis of Japan, the United States, and Europe on this point.

Table 1 is a simple comparison of the nature of political parties in five countries. Japan, England, Germany, and France in principle have adopted the parliamentary system (in France, it is blended with the presidential system), political parties in general exercise strong disciplinary control over the activities of their members, and party-specific activities constitute the main part of parliamentary activities. In the United States, on the other hand, party-based, monolithic activities of Congress are exceptions to the rule; instead, each Congressman has a strong tendency to act on his own independent judgment. This difference in the modes of parliamentary activities is reflected most in the behaviors of parliamentary members in voting for or against a legislative bill. Among the five countries, Japan has the strongest party discipline; if a party member casts his vote against his party's resolution, he could be dismissed from membership.

Table 1. Comparison of Political Parties in Japan, the United States, and Europe

	Japan	U.S.	England	Gemany	France
Party organization	Centralized	Extremely decentralized. Political organizations from states and cities are combined to form political parties at the national level. Party president is not clearly defined.	Centralized. A clear distinction between organizations inside and outside the house, and organizations are formed at the national level. Party president's authority is strong, and an organization is formed in a pyramid style.	Somewhat decentralized. An organization is formed according to the internal rules in pursuant to the Political Party Act.	Centralized. A political party system is geneally weak. Many members of the parliament concurrently assume public offices at the central and local governments.
Binding of party resolutions	Strong in general	Extremely weak. Most bills are voted on free will.	Strong. s The Labor Party in particular has codes of conduct.	Somewhat strong. But the Basic Law prohibits directive mandates.	Somewhat strong.
Involvement in policymaking	Preliminary adjustments are performed. A government-proposed bill goes through preliminary adjustments by the leading party's policy affairs research council, policy deliberation committee, and so on, and upon official approval of the leading party, it is submitted to the Diet.	No preliminary adjustments by plitical parties. Each individual Congressman submits a bill.	No preliminary adjustments by political parties. But adjustments are made in advance through cabinet ministers, who are party members.	No preliminary adjustments by political parties.	A bill is submitted by the government directly to the parliament without deliberation by the leading party.

What is extremely characteristic in this comparison of political parties among these countries is that the political parties in Japan have strong influences over policy decisions through their policy affairs research councils, policy deliberation commissions, and related subcommittees. In each country, a government-proposed bill is written by the administrative office in the end. (In terms of the number of bills, about 80 percent of the total number of government-proposed bills are passed successfully in each country; and there is a less chance of government-proposed bills to be voted down in a national assembly. In Japan, England, and France in particular, government-proposed bills are passed at higher rates, ranging from 85 percent to 95 percent.) In the case of Japan, however, preliminary adjustments are thoroughly made between the government's related ministries and agencies on one hand and the leading party's policy research council, policy deliberation council, and other related sections on the other, and upon final official approval by the leading party as an organization independent of the government, a government-proposed bill is submitted to the Diet. (Although not so rigorous as in the case of the leading party, opposition parties also conduct rather extensive preliminary adjustments prior to submitting their bills to the Diet.)

This system—the leading political party making policy decisions in extreme detail through its party organization apart from the top administrative level (the prime minister, Cabinet members, parliamentary vice-ministers, and so on)—is used only in Japan among the five countries. In England, for example, there is no preliminary adjustment (or preliminary screening by the leading party) between the government and the leading party in deciding on a government-proposed bill; and reportedly there are many instances where only the prime minister and related ministers know about the contents of budget or legislative bills before being submitted to the parliament. In this sense, it is a symbolic tradition, indeed, that the finance minister stuffs his old, traditionally-used briefcase with documents on tax systems and budget (budget speech) without showing them to anyone but those within the finance ministry, and visits the prime minister's office in person to report on them. Also, it has been a custom for many years in England that members of the parliament do not communicate with public servants on official duties.

In Germany, as in Japan, there also used to be preliminary adjustments between the government and the leading party, but as the government and the leading party have become more distant from each other than in the past, these kinds of preliminary adjustments are reportedly no longer practiced. (In the Showa 20's and 30's [between 1945 and 1965] in Japan, there were almost no preliminary adjustments between the government and the leading party. Such adjustments became customary in the early Showa 40's [the late 1960] and fairly institutionalized in the Showa 50's [between 1975 and 1985].)

In the United States, as mentioned earlier, independent activities of individual Congressmen are the norm, and as the political parties have a relatively small part in the policy-making process, there are basically no preliminary adjustments between the government and the leading party.

Now, after a government-proposed bill that forms the main part of a policy is determined through the process described above, the next stage is parliamentary deliberation. Table 2 compares main items for parliamentary deliberation among the countries. Here, England and the United States stand out in contrast. Generally speaking, parliamentary membership in Europe is considered highly as an honorary post or of public service, and remuneration for such membership is small. This is particularly so in England. Even today, members of the Upper House do not receive any salaries, and the annual salary for Lower-House members is less than Y5 million, which is not very much. A well-known story is that the salary for a Lower-House member is almost equivalent to the monthly income of H.G. Wells when he was a cub writer.

Table 2. Parliamentary Systems in Japan, the United States, and Europe

	Japan	U.S.A.	England	Germany	France
Number of seats	House of Representatives, 500; House of Councilors, 252	Lower house, 435; Upper house, 100	Lower house, 651; Upper house, 1218	Lower house, 656; Upper house, 68	Lower house, 577; Upper house, 321
Parliament member's salary (per year)	Y23,630,000	$133,644 (about Y12,070,000)	31,687 pounds (about Y4,680,000)	124,392 DM (about Y7.980 Million)	369,230 FF (about Y6.870 Million)
Secretaries (per member)	Three public secretaries	On average, 43 per Upper House member, 17 per Lower house member. The upper limit of subsidy is about Y210 Million per Upper house member, and about Y50.380 Million per Lower House member.	On average, two secretaries. The upper limit of subsidy is about Y4.280 Million per Lower house member.	On average, 4.5 secretaries. The upper limit of subsidy is about Y10.280 Million per member.	Two secretaries and three assistants are employed at public expense.
Number of days and number of hours for deliberation per plenary session per year	House of Representatives: 49 days and 81 hours House of Councilors: 41 days and 56 hous	Lower house: 139 days and 897 hours Upper house: 144 days and 1146 houss	Lower house: 144 days and 1190 hours Upper house: about 849 hours	Lower house: 65 days and 430 hours Upper house: about 40 hours	Lower house: 121 days and 922 hours Upper house: about 928 hours

	Japan	U.S.A.	England	Germany	France
Number of committee meetings per year (total number of hours in deliberation)	House of Representatives: 498 days and 1,928 hours; House of Councilors: 436 days and 1280 hours	Lower house: 2,576 times (including subcommittees) Upper house: About 1,020 times	Lower house about 1,000 times Lower house: About 257 times	Lower house: 444 times Lower house: 206 times	Lower house: 295 times and 472 hours Upper house: 270 times and 437 hours
Number of bills submitted per year (average over the last five years)	[total] 133 40 by members 93 by government	[total] 10,480 10,480 by members 0 by government	[total] 165 122 by members 43 by government	[total]443 209 by members224 by government	[total] 378 281 by members 97 by government
Number of bills passed per year (average over the last five years)	[total] 98 14 member-proposed bills 84 government-proposed bills	[total 680 680 member-proposed bills 0 government-proposed bill	[total] 55 14 member-proposed bills 41 government-proposed bills	[total] 207 29 member-proposed bills 178 government-proposed bills	[total] 99 15 member-proposed bills 84 government-proposed bills

Note: In computing yen-equivalents, the exchange rates as of the end of March this year were used.

In the United States and Japan, however, a politician's status has become established as a career. Regarding the backgrounds of politicians, most in the United States were lawyers, entrepreneurs, and so on, and many in Japan are career politicians who used to serve as local assemblymen, [politicians'] secretaries, and so on. In European countries, many used to be public servants in a broad sense, including educators. (In France, there is a strong tendency among those elite bureaucrats, who graduated from ENA [Ecole Nationale d'Administration] and the like, to become powerful politicians. The main candidates in the presidential election in April—Balladur, Chirac, and Jospin—all graduated from ENA.)

The process of parliamentary deliberation is centered on plenary sessions in England; in contrast, it is based on committees in the United States. In England, a system of three discussion stages is used for a plenary session, but actual deliberation takes place at the second discussion stage. After this, deliberation is conducted at the committee level where technical aspects are examined, but revisions are rarely made. In the United States, on the other hand, once a bill is submitted to Congress, it is referred to a proper committee in charge without going through deliberation at a plenary session; actual deliberation on the bill is conducted by the committee in charge or its subcommittee. After this stage, the bill is subsequently sent to a plenary session. However, an overwhelming majority of proposed bills tend to fail during the deliberation stage at the committee level.

In Germany as well as in Japan, deliberation is centered on committees. However, compared to the four countries in the West, the number of days per year and the number of hours for a plenary session in Japan are extremely small. Another characteristic is that the French government exercises extremely strong authority during the deliberation process. In other words, as deliberation by a committee is considered as a preliminary investigation without voting, and the government has the preferential right to decide on an order of the day, the system has a high probability of government-proposed bills to be deliberated and decided without revisions.

Structurally speaking, therefore, although there are variations among the countries, in the four countries, excluding the United States, government-proposed bills are rarely revised in a major way by a parliamentary assembly, and such important bills as budgets are rarely voted down by an assembly. If such bills are not passed, that is tantamount to nonconfidence in the Cabinet, leading to a fall of the Cabinet. In this sense, the structure is quite similar [in the four countries]. The United States, on the other hand, subscribes to the presidential system, and as a budget is not submitted in a comprehensive form to Congress, and budget-related bills are deliberated on individually in conjunction with a revenue sources bill, the power of the government's budget control bureau is relatively weak, and therefore the government's ability to control a budget is quite low in comparison to that in the other four countries.

Now, an issue is how the "popular will" and the private sector's interests are reflected and realized in this policy-making process. Here, in the United States, where individual members of Congress have strong power, and deliberation at Congress affects the contents of legislative bills and budgets to a considerable degree, an extremely distinctive system centering around Washington has been created. The existence of lobbyists, the so-called "influence peddlers," is the case in point. About

60,0000 lawyers are practicing in Washington D.C., and through them, lobbying attempts of various industry associations and voters within and outside the country are directed to the White House or Cabinet members.

On the other hand, in Europe and Japan, where government-proposed bills are rarely revised, there are almost no lobbying activities once bills are submitted. And, in Europe, where government-proposed bills are drafted basically within the confines of government, there exists a channel in politics through politicians within the Cabinet, such as ministers, but "mass-democratic" lobbying activities rarely exist in clear form. In other words, a democratic process, meaning that basic policies are entrusted through elections, is firmly established in Europe; but as to individual policy measures, the governments seem to subscribe to the rule that they draft and implement such measures responsibly within the scope of their power so entrusted. On this point, Japan is more Americanized and "mass-democratic," because its political parties as organizations function as intermediaries between industry associations, or voters; and the government conducts lobbying activities, or makes requests and adjustments for individual policy measures and budgets. This function is performed in detail and organized, and although its format is different from that in the United States, there seems to be no significant difference in terms of its contents. In other words, although there is a difference that this function is carried out within a framework of Congress and Congressmen in the United States and of the political parties and Dietmen in Japan, the actual processes themselves do not seem to be significantly different. Therefore, the political and administrative system in Japan is quite mass-democratic; and the private sector's interests seem to be reflected in minute detail in the decision-making process, not only for basic policies but also for individual policy measures, through the political parties as their channel of communications.

Then, is the role of bureaucrats in this policy-making process in Japan, which is considered to be controlled by bureaucrats, much different from that in the other four countries? There is no difference under both the presidential system and the parliamentary system that final policy decisions are made by politicians in the legislative branch, but there are various kinds of interactions between politicians and bureaucrats in drafting policies and making actual policy decisions, indicating several different patterns.

One is a U.S.-type pattern in which the president and his associates make 3,000 to 4,000 political appointments, thus creating a sort of policy-making hierarchy that is apart from Congress and political parties. This is a characteristic of the presidential system, and has been a tradition in the U.S. democracy since the time of President Jackson.

Another can be called as a Continental-European-type pattern, which is quite conspicuous in France; powerful politicians and high-ranking bureaucrats together make up a group of policy-making elites, drafting and forming policies. In this case, some political appointments are made at the time of change in administration and ministers, but the number of such appointments is quite small in comparison to that in the United States. Also, under this system, administrative officials are allowed to conduct political activities for their political parties, and they can run for elections as politicians, and even if they are defeated, they can often stay in their current offices. In France, it is not rare for a vice-minister or a bureau chief to become a minister without election. England and Japan represent another pattern in a sense that their administrative officers are independent from politics. In these two countries, no political appointments are made as a rule. But, as mentioned earlier, the bureaucrats in Japan, while maintaining their neutrality as a rule, have frequent contacts with politicians in drafting and forming policies, and therefore they are different from the bureaucrats in England who, as a rule, do not maintain contacts with politicians on policy issues.

Albeit a bold attempt, all of this—relative influences of the government, political parties, and the parliament in the policy-making process—can be simplified and summarized as in Figure 1 [omitted]. Of course, relative influences change over time according to political situations and so on, and they can be different, depending on interpretations of particular rules and their interrelationships. Therefore, Figure 1 is strictly a generalized illustration.

As noted above, therefore, the mainstream advocates of the Japan-as-different theory—antidemocratic, bureaucratic control of Japan's politics and administration—seem to have major misunderstandings of the facts. One such misunderstanding is that they fail to recognize the mass-democratic role of the political parties, and another is that they ignore the reality that policy measures are drafted through close interactions between the political parties and the government. If the close relationship among politicians, bureaucrats, and businessmen is considered as a problem, that is not due to bureaucratic control. Instead, it is due to mass-democratic lobbying activities that are conspicuous in the United States and Japan, and this can be inferred from the expression, an iron triangle, which was coined to describe the mass-democracy in the United States. To be sure, a mass-democratic, close relationship as seen in Japan and the United States does not exist in Europe. But, there are several cases where policy decisions made by elite politicians and bureaucrats have produced more significant damages. Therefore, it cannot said that the Continental-European-style system is logically superior to the U.S.-style, or the Japanese-style, mass democracy.

No matter in which direction the Japanese system will take its course from now on, it is necessary at this point to keep in mind that unless we correct the factual misunderstandings of the Japan-as-different theory, we may end up with carrying out outrageous "reform" to our regret in the future.

III Corporations

Regarding corporate governance, R. Dore once said, "It is a fundamental idea in commercial laws common in Japan, the United States, and Europe that shareholders maintenance of their "sovereign power" over corporations is the basic principle of capitalism. But, there is no country other than Anglo-Saxon's that recognizes this "principle" equally as "true motivation" in conducting day-to-day corporate activities (per Ronald Dore, *Japan, a Strange Country* [Fushigina- kuni, Nippon], published by Chikuma Shobo in March 1994). As far as the "principle" is concerned, however, corroborative research studies by Fukao and others have pointed out that in some instances, stockholders rights in Germany, France, and Japan are larger than those in the United States (per Koyo Fukao, "A Summary of Arguments on Corporate Governance and an International Comparison of Systems," in the September 1994 issue, Vol. 13, No. 3, of "Kinyu Kenkyu").

On the other hand, according to Aoki, even in the United States where the "principle" and "true motivation" were supposed to be in agreement, it has become impossible to apply the "neo-classical paradigm, which sets forth as a natural premise that corporations, as black boxes, are to maximize their corporate values for their stockholders," and the issue of corporate governance is receiving a close-up scrutiny (per Masahiko Aoki in his book quoted earlier).

In addition to the difficulty of management control by stockholders due to dispersion of stock ownerships, as pointed out by Barry Means, this situation has been created by the diminishing interest to monitor management of individual corporations because of investment in stock price indices in recent years by pension funds, mutual funds, and so on, or various laws that have been enacted due to concern over possible adverse effects of recent corporate take-overs.

Therefore, it has now become extremely difficult to give a clear answer to a simple question of who owns the companies. Table 3 shows the makeup of stockholders in the five countries in 1990. According to this Table alone, these five countries can be divided into two groups: One consists of the United States and England, where individuals and pension funds are the majority; and the other, Continental Europe and Japan, where financial institutions and corporations are the majority. Also, Japan, Germany, and France have quite different structures, depending on whether the ownership by financial institutions and corporations is dispersed, or relatively concentrated. In Germany, for example, BMW, Siemens, and so on are largely family-owned, such as by the Quandt family and the Siemens family, and Daimler-Benz is majority owned by German banks. (The average ownership share of the leading stockholder in the top 32 manufacturing companies is about 45 percent.) In the case of France, there are still some big corporations that are largely owned by the government, and according to the data from 1987, among the top 26 manufacturing companies, the government as a leading stockholder had a majority interest in 11 companies, including Usinor-Sacillor (steel) and Thomson (electric). Here, however, we must keep in mind that there has been a significant progress in privatization in recent years.

Table 3. Composition of Corporate Stockholders (in percentage)

	Japan	U.S.A.	England	Germany	France
Individuals	23	54	20	17	34
Pension funds and the like		27	31		
Financial institutions	41	6	30	22	23
Business enterprises	25		3	42	21
Public sector	1		4	5	2

	Japan	U.S.A.	England	Germany	France
Foreigners	4	7	12	14	20
Others	6	6			

Note: Based on the data from 1990. Sources: Japan—"Survey of Stock Distribution" by the National Association of Securities Exchanges. U.S.A.—"Flow of Funds" by FRB [Federal Reserve Board]. England—Share Register Surveys/CSO [expansion not given], researched by Nomura Securities. Germany—Monthly Report of the Deutche Bundesbank, October 1991. France—CREP [expansion not given], a partie de la BDF [expansion not known] (listed companies only).

Based on these differences in the makeup of stockholders, except for France, which still has many government-owned corporations, differences in corporate governance can be divided into two major types: the English-U.S. type that focuses on stockholders and management, and the German-Japanese type that focuses on financial institutions and insiders (management and employees). Aoki contends that corporate governance in Japan, where the stock ownership by financial institutions is dispersed, can be characterized as contingent governance by main banks (per Masahiko Aoki in his book quoted earlier). But, although governance in Germany has not been clearly described as a main-bank-based system, it seems similar to that in Japan. As Aoki also states, the German-Japanese-type corporate governance, which focuses on financial institutions and insiders, has a systematic and complementary relationship between the bank-centered financial system and the system of long-term employment. In other words, under the German or the Japanese system, when a corporation is in robust financial condition, its governance rests with the management (insiders) who have been promoted and selected according to the internal hierarchy of employees, but when the financial condition worsens, such governance is transferred from the insiders to the outside bank. In this type of governance, banks are required to possess strong capabilities to monitor corporations. Also, as the employment system as a whole is premised on long-term employment, and as long as promotion within is a rule for selecting management, incentives for insiders to monitor their corporations will be enhanced.

These different patterns in corporate governance are probably influenced largely by differences in culture and history among the countries. For example, the tendency in the United States and England to consider corporations as assets owned by stockholders must be closely related to the fact that the Hobbs-Locke-style possessive individualism is deeply established in these countries. And, governance in Japan must be a reflection of the traditional way of thinking which considers a corporation as a kind of communal organization. In Germany, also, the system of joint decision-making based on participation of employees and labor unions in internal auditors meetings and office conferences is a manifestation of the traditional way of thinking that corporations are "public tools" of the society (see Otto von Guericke and others), and historically speaking, its origin can be traced to plant committees (consisting of representatives from laborers and plant owners) organized at the time of the Conference to Found an Imperial State in 1848.

What needs to be kept in mind in analyzing corporations is that globalization has been progressing rapidly in multinational corporations in particular, and in a sense, therefore, convergence is taking place between the Anglo-American model and the Continental European or the Japanese model through interactions between them. In fact, European companies have become quite Americanized particularly in the past few years, divorcing themselves somewhat from the traditional Continental European model. This mutual learning effect has been occurring over a long period of time in various blocs of civilizations, and is not a unique phenomenon. But, considering the systematic and complementary relationship between corporate organizations and a nation's system, culture, and tradition, corporations from different countries will form different corporate groups through dynamic interactions among them, each having different strengths and weaknesses (here, depending on situations, strengths could be weaknesses, and vice versa), rather than converging into one specific kind in the end. And, a most straightforward way of thinking seems to be that comparative advantages of these various groups will be exchanged among nations and civilizations mainly through trade.

IV Employment

As predicted in previous sections, the employment and wage systems in the five countries can be divided largely into the Continental European or the Japanese type and the Anglo-American type. But, as Kazuo Koike has often emphasized, the difference between these two types is not so great as generally believed to be. Table 4 shows the percentages of employees in continuous employment by number of years and the average number of years in continuous employment in each country, based on the data from 1990 and 1991. In terms of those in continuous employment over 20 years, Japan had the highest ratio, 19.3 percent, and Germany and France had similar ratios. In contrast, the United States had the lowest ratio, 8.8 percent, and in terms of those in continuous employment of less than five years, it had the highest ratio, 61.7 percent. Also, the average number of years in continuous employment was 10 years plus in Japan, Germany, and France, and was less than seven years, the shortest, in the United States. As these figures indicate, the average number of years in continuous employment in Japan is not so large as generally considered in comparison to the other countries. This is probably due to our general perception that is biased mainly toward employees at large companies, because the mobility among employees in small and medium-sized companies is quite high.

Table 4. Percentages of Employees in Continuous Employment by Number of Years, and Average Number of Years in Continuous Employment (in 1991)

	Japan (Note 1)	U.S	England	Germany (Note 1)	France	Average (Note 2)
Percentage of employees in less than five years of continuous employment	37.4	61.7	54.8	41.0	42.0	47.4
Percentage of employees in more than 20 years of continuous employment	19.3	8.8	9.6	16.7	15.8	14.0
Average number of years in continuous employment	10.9	6.7	7.9	10.4	10.1	9.2

Note 1: The data for Japan and Germany are from 1990. Note 2: Simple average of the data in the five countries. Source: OECD's "Employment Outlook (1993)."

Almost the same observation can be made as to the stability of employment.

During a time of economic recession, it is a general practice in Japan to avoid lay-offs as much as possible; and instead, some kinds of measures for work sharing—such as limiting overtime work, reassigning jobs, and reducing or curtailing the hiring of mid-career job applicants—are implemented. And, only when the situation cannot be coped with by these measures, "voluntary retirement" and "dismissal of workers by designation" will be sought.

On the other hand, Europe and the United States are not so different in terms of shortening work hours and so on, but Germany and France have strict legal restrictions against dismissal of regular employees.

In Germany, the "Dismissal Restriction Law" (enacted in 1951) requires that the reason for dismissal be socially reasonable, and as part of dismissal procedures it requires labor-management consultations and a fairly long period for notification of such dismissal.

In France, labor-management consultations are also required in the case of collective dismissal due to economic reasons. And, the management side must present all information regarding the dismissal (economic reasons, the number of employees to be dismissed, targeted job categories, standards applied to selection of employees to be dismissed, and so on). In particular, when more than 10 employees are to be dismissed, labor-management consultations must be held twice, and a "plan for employment restoration" must be submitted, delineating measures to minimize the number of employees to be dismissed and relief measures for those to be dismissed.

However, it should be kept in mind that because of government policies in Europe to promote employment of young workers, early retirement of older workers has been promoted since the 1980's through a voluntary retirement system by paying pensions sooner than the rules dictate.

In the United States, on the other hand, restriction on dismissal does not exist as a rule, and personnel adjustments are frequently carried out, mostly among blue-collar workers. Figure 2 [omitted] shows a "production elasticity of employment" (the rate of reduction in employment divided by the rate of reduction in production; for example, if production decreases by five percent and employment by one percent, the elasticity is 0.2), each for blue-collar workers and white-collar workers, in the United States and Germany as well as in the United States and Japan. As can be seen blue-collar workers in the United States are eliminated as soon as production decreases which shows a pattern extremely different from that of the other countries.

Lay-offs of blue-collar workers in the United States are normally carried out according to a "seniority system" (a system that provides various employment rights and benefits according to the length of employment). Under this seniority system, employees with a smaller number of years in continuous employment are laid off first, and in case of rehiring, those who had a more number of years in continuous employment will be called in first. Therefore, the employment situation for those blue-collar workers with a small number of years in continuous employment is quite unstable. Compared to blue-collar workers, white-collar workers in the United States have a higher level of employment stability.

There is not enough data to compare wage-curves among the countries. But, a comparison using somewhat old data reveals that as far as white-collar workers are concerned, although the wage curve in Japan is steep, wages in Japan as well as in Europe and the United States tend to go up with age (per Figure 3 [omitted]).

On the other hand, the wage curve for blue-collar workers tends to become flat around the age of 30 in both Europe and the United States. In Japan, on the other hand, it traces a pattern similar to that for white-collar workers.

There are several possible reasons for the wages of blue-collar workers in Japan to keep increasing in contrast to those in the other countries. Koike explains this characteristic of the wage curve for blue-collar workers in Japan as due to the nature of required skills. According to him, jobs can be classified into "ordinary jobs" and "unusual jobs" (that is, jobs in response to changes or extraordinary situations). And, although the other countries adopted a "method of separation," where "unusual jobs" are performed by workers at higher levels, big companies in Japan adopted a "method of integration," where blue-collar workers perform both types of jobs. The "method of integration" has such merits as quick response to unusual situations, but it requires workers to obtain a wide range of skills through OJT (on-the-job-training), job rotations, and so on, necessitating long-term employment. Also, in encouraging acquisition of such skills, it is important to have a system for fair evaluation of and fair compensation for such skill enhancement. Therefore, it becomes necessary to provide regular wage increases and evaluations, and as a result, the wage curve [for blue-collar workers] tends to resemble that for white-collar workers (per Kazuo Koike, *Economics of Jobs*, published by Toyo Keizai Shimposha in 1991).

In sum, in contrast to the other countries, where specialization and job demarcations are stressed, blue-collar workers in Japan are required to have multiple skills, and thus their job demarcations are fluid. Also, in contrast to the other countries, where wages based on jobs are the basis for their wage structure, as blue-collar workers in Japan experience a wide range of jobs to acquire various skills, their wage structure has become similar to that for white-collar workers.

V Conclusion—Japan as a Civilization

In the above, quick comparisons were made on politics, administration, corporate organization, employment, and wages among the five countries. The tentative conclusions gained here, however, do not seem to support the Japan-as-different theory at all. In the areas of politics and administration, the Japanese system is distinctive in that the political parties as independent organizations have strong abilities to draft and decide on policies, and that they are always in close contact with the administration. As a result, however, this works as a catalyst to realize the U.S.-style mass democracy. Also, the bureaucratic organization is similar to that in England, but the bureaucrats do not wield their power independently of the leading political party, and therefore there is no ground to support the so-called bureaucratic control theory. Rather, the Japanese system is somewhere between the Continental European model—like in France, where influential politicians and high-ranking bureaucrats act as policy-making elites—and the U.S. model. As a result, it achieves the U.S.-type mass democracy in a somewhat different way.

Also, in the areas of corporations, employment, and so on, the Continental European model and the Japanese model are quite similar, and they are in a marked contrast to the Anglo-Saxon-U.S. model. At present, however, the wave of globalization has an effect of making the Continental European and Japanese models closer to the Anglo-Saxon-U.S. model. It is, therefore, worth paying attention to what kinds of comparative advantages the Continental European countries and Japan will maintain and acquire through this process in the long run.

In any event, it is hard to believe that the Fukuyama-style universalism, or the neo-classical paradigm, is completely applicable to the five countries in the areas of politics, administration, corporations, employment, and so on. The Continental-European-style particularism and the Japanese-style modern system are alive and well. Therefore, it seems that lively interactions among these three systems will determine how these systems coexist in the future.

Here we have no intention to discuss how the Japanese system should be in the future. In considering a future direction, however, it is important to go beyond the Japan-as-different-style "arguments for reform," and to regard Japan as presenting one type of a model or a civilization. We are not saying that reform is unnecessary, or that the nation needs to be isolated. It is very necessary to aggressively seek mutual learning between our system and the Anglo-Saxon model, or the Continental European paradigm [the original text is unclear here as to the meaning of "mutual" learning]. This is a prerequisite for starting a new, creative process in Japan. Unless we go beyond destruction of the Japanese-style system as the Japan-as-different approach seems to suggest, and move on to a process of creation by using such an approach as the comparative civilization and comparative institutional analyses, the future of Japan seems at risk.

[Box, p 265]

"The Research Forum on Social and Economic Systems for the 21st Century" has been conducted by the Financial and Monetary Research Institutie of the Ministry of Finance since September 1994. This forum is divided into two parts: Part I compares current conditions of the economic and social systems in Japan, the United States, and Europe; and Part II consists of discussions on future development of the economic and social systems in our country and in the world in the 21st century, taking into account not only economics but also such multiple subject areas as history, society, and natural science.

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OW2611083395 Tokyo KYODO in English
0808 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 KYODO — Japan is considering what concrete measures it can take to support the Bosnian peace deal, especially in helping with the return of refugees to their homeland, government sources said Sunday [26 November].

The sources indicated that Japan would likely shoulder an "appropriate share" of restoration costs, which the European Union has estimated would be about $4 to $6 billion over the next three to four years.

Foreign Minister Yohei Kono is eager to attend one of peace conferences in London and Paris next month to express Japan's intention to assist with the reconstruction of the war-ravaged former Yugoslav Republic of Bosnia-Herzegovina, his aides said.

Last week, Japan welcomed an agreement initialed by leaders from Serbia, Bosnia and Croatia in the United States, expressing hope that the accord would be formally signed in the near future and that refugees in the war-devastated Balkan region would be able to lead a peaceful and stable life.

The planned Japanese aid to assist more than two million refugees would likely have to go through an intermediary organization, such as the United Nations, since Tokyo has not yet recognized Bosnia formally.

Japan has suggested that its support for Balkan peace efforts should be balanced with the EU's assistance with efforts to provide stability in East Asia.

On Nov. 16, Kono told U.S. Secretary of State Warren Christopher that the EU should support efforts to provide modern nuclear reactors to North Korea through contributions to the Korean Peninsula Energy Development Organization (KEDO).

KEDO, led by the U.S., Japan and South Korea, is hoping to provide two light-water nuclear reactors, costing some $4.5 billion, to North Korea in exchange for the dismantling of its current nuclear program suspected of fueling nuclear arms development.

In response to the Japanese suggestion, the EU last week decided at a meeting of foreign ministers to participate in KEDO.

Some Japanese Government leaders advocate caution toward going ahead hastily with the Bosnian aid plan since the peace agreement was "only initialed" and that the chances for peace to develop in the region are limited.

Since 1992, Japan has provided $180 million in humanitarian aid for the building of refugee facilities in Croatia, and food and medical supplies.

Use of Arms in Cambodia PKO Mission Reviewed

OW2511012495 Tokyo TOKYO SHIMBUN in Japanese 20 Nov 95 Morning Edition p 1

[FBIS Translated Text] The Japanese Self-Defense Forces [SDF] participated for the first time in UN peacekeeping operations (PKO) in Cambodia, completing their mission in fall 1993. In connection with this mission, several informed sources disclosed on 19 November that the Ground Staff Office [GSO] had virtually commanded the Engineer Battalion [EB] stationed in Cambodia to rescue Japanese election monitors if they were attacked. In particular, the GSO ordered that EB personnel thrust themselves into gunfights as "human shields" and shoot at enemies to rescue monitors. This can be regarded as a stretched interpretation of the PKO Cooperation Law regulating use of arms. Before SDF troops go to the Golan Heights in February next year, the arms use issue is likely to surface again.

In September 1992, the Japanese Government sent 600 EB personnel to Cambodia to repair roads and bridges. However, in May 1993, when the Cambodian general election was at hand, the Pol Pot faction of the former government army killed a Japanese civilian police officer. Controversy arose in the Diet about how to ensure the safety of election monitors, including 41 Japanese people.

According to several SDF-related sources, the GSO hurriedly dispatched a general officer with a letter written by Tetsuya Nishimoto, then ground chief of staff (and current Joint Staff Council chairman), to Takeo, where the EB was billeted. On the evening of 20 May, two days before the general election, the general officer read the letter to senior EB officers, including EB Chief Yoshio Ishige. It said, "I (Nishimoto) will shoulder all the responsibility." In addition, the general officer gave them an oral command: "Do your utmost to ensure Japanese election monitors' safety."

Senior EB officers considered this an order to rescue Japanese, and they asked the GSO to issue a "written command." However, they eventually accepted the order without documents and chose 34 rangers to form an "Emergency Medical Team," whose apparent mission was to rescue Japanese people. The team was put on standby until the general election.

To prevent uses of armed force banned by the Constitution, the PKO Cooperation Law allows SDF personnel to use arms only to defend themselves, protect their company, and carry out emergency evacuations. The GSO policy was that if election monitors were attacked, rangers could use arms for self-defense by thrusting themselves into gunfights to draw enemy fire.

Although fully aware of the danger, senior EB officers passed on this command to team members. One concerned officers said, "It was unbearable for me to tell them."

Even when not acting in self-defense, rangers would have been forced to fire guns just to approach the scene. Several EB officers said: "There is no way but a gunfight to save people who are targeted with guns. We were prepared to stand at the bar (for violating the law)."

Concerning this matter, Mr. Nishimoto said, "I did not issue any commands contradictory to the law."

So far, the PKO Cooperation Law restricts SDF participation in the Peacekeeping Force (PKF) to guard duty. In addition, due to the arms use regulations, the SDF cannot protect Japanese election monitors at a distance. However, every other foreign army participating in the PKO in Cambodia protected its own citizens.

Pro-Democracy Activist 'Likely To Be Deported'

OW2611101495 Tokyo KYODO in English
1002 GMT 26 Nov 95

[FBIS Transcribed Text] Osaka, Nov. 26 KYODO — A 21-year-old Chinese pro-democracy activist who was refused political asylum upon arriving in Japan in July is likely to be deported home soon, informed sources said Sunday [26 November].

Immigration authorities at Kansai International Airport have summoned the man, Luo Yi, to appear at their office Tuesday.

Luo was arrested in China after participating in protest demonstrations in the wake of the military crackdown against pro-democracy demonstrations in Beijing's Tiananmen Square in 1989.

His Japanese supporters are convinced that Luo will face oppression upon return to China. They plan to ask the Osaka District Court on Tuesday to order immigration authorities to rescind their decision to refuse granting Luo refugee status.

Luo arrived at Kansai Airport in July to join his brother-in-law, who is involved with the Japan-based Chinese democracy movement.

But Luo was not allowed to enter Japan because he failed to produce the required visa. Immigration authorities also refused to recognize him as a refugee arguing that there was poor concrete evidence to support Luo's contention of being in political exile.

A local lawyers' group appealed against the decision in a complaint to the airport's immigration office in August and officials from the UN High Commissioner for Refugees heard both sides on the matter.

However, the Justice Ministry turned down the complaint Sept. 9. Luo was first detained at the airport, but was temporarily released in October to live with his brother-in-law in Saitama Prefecture, north of Tokyo.

DA Plan Reportedly Drops China Threat Phrase

OW2611145095 Tokyo YOMIURI SHIMBUN in Japanese 25 Nov 95 Morning Edition p 20

[FBIS Translated Text] On 24 November, the government presented the draft of a new "defense program outline" to the ruling coalition's defense policy coordination meeting for final discussions on the draft. However, the Social Democratic Party of Japan [SDPJ] strongly objected the draft because it contained a phrase referring indirectly to a Chinese military threat in a section on the Japan-U.S. security treaty. In the end, the government dropped the phrase to avoid possible confusion within the government and the ruling parties before the cabinet approves the draft on 28 November. The recognition of China's military strength included in the deleted phrase was expected to form a "part of the reconfirmation of the importance of Japan-U.S. security arrangements" in the post-Cold War era, where the former Soviet Union's threat is diminishing, (according to an SDPJ source). Thus, the deletion of the phrase may affect the contents of a joint Japan-U.S. declaration on security. Meanwhile, the government and the ruling parties agreed at the meeting that the issue of consolidating and reducing U.S. military bases on Okinawa should be referred to in a chief cabinet secretary's statement to be issued upon the approval of the new defense outline.

Concerning the significance of the Japan-U.S. security treaty, the phrase in question said: "The treaty is indispensable for the nation's security because there are still large military presences, including nuclear weapons, in its neighboring area."

When referring to China's military strength, past defense white papers only cited the country's "modernization and diversification of nuclear weapons" or the "modernization of military equipment." However, the draft new defense outline implied a Chinese threat and this invited a strong objection from the SDPJ, who said: "The draft looks on China as an enemy."

At the meeting, the Defense Agency sought the SDPJ's understanding, noting that "the phrase should be included in a Japan-U.S. joint statement." The Foreign Ministry also explained to the party: "The phrase only shows the recognition that there are large military forces, including nuclear weapons, in China and Russia. It is not saying that these countries are our enemies." However, because they failed to convince the SDPJ, the meeting was temporarily called off. In the end, the government decided to completely drop the phrase, which clinched their argument.

Touching on Okinawa's base issue, the draft new defense outline said: "The prefecture has contributed to the stable use of defense facilities." The SDPJ and New Party Sakigake [Harbinger] objected the expression, saying: "It supports continued U.S. military presence in the prefecture." Their strong opposition led the ruling parties to an agreement that the phrase should be deleted and that the government should indicate its determination to work to consolidate and reduce U.S. military facilities on Okinawa in the chief cabinet secretary's statement.

The chief cabinet secretary's statement will also confirm Japan's determination not to exercise the right of collective defense and the government's interpretation of the "Far East" mentioned in the Japan-U.S. security treaty.

At the meeting, the government and the Liberal Democratic Party [LDP] were at loggerheads with the SDPJ and New Party Sakigake over U.S. nuclear deterrence: The former group claimed that the new defense outline should state Japan's "efforts for the ultimate abolition of nuclear weapons," while the latter noted that "the word 'ultimate' should be dropped." The two groups also confronted each other over the three principles of arms exports. The SDPJ-Sakigake team asserted the principles should be mentioned in the new defense outline, while the government and the LDP claimed "the reference to the three principles in the new defense outline is inappropriate in view of the ongoing joint Japan-U.S. development of the next-generation support fighter (FSX)." The two sides failed to reach an agreement on this matter.

Figures for Self-Defense Forces' Redeployment Noted

OW2211140995 Tokyo ASAHI SHIMBUN in Japanese 22 Nov 95 Morning Edition p 2

[Following is the Defense Agency's draft of a table to be attached to a new defense outline]

[FBIS Translated Text]

Ground Self-Defense Force	
Authorized Number of Personnel (180,000)	Authorized organization 160,000; Regular Tropps Authorization 145,000
(Basic Units)	
Units deployed in peacetime	
(12 divisions)	8 divisions
(2 combined brigades)	6 brigades
Mobile Operation Units	
(1 armored division)	No change
(1 airborne brigade)	No change
(1 helicopter brigade)	No change
Surface-to-Air Missile Units (8 anti-aircraft artillery groups)	No change
(Major Equipment)	
Tanks (Apx. 1,200 tanks)	Apx. 900
Artillery pieces (Apx. 1,000)	Apx. 900
Maritime Self-Defense Force	
(Basic Units)	
Escort Ship Units for mobile operations (4 escort flotillas)	No change
Escort Ship Units and Regional District Units (10 divisions)	7 divisions
Submarine Units (6 divisions)	No change
Minesweeper Units (2 minesweeper flotillas)	1 flotilla
Land-based ASW Units (16 squadrons)	13 squadrons
(Major Equipement)	
Escort Ships (Apx. 60 ships)	Apx. 50
Submarines (16 submarines)	No change
Combat Aircraft (Apx. 220 aircraft)	Apx. 170
Air Self-Defense Force	
(Basic Units)	
Aircraft Control and Warning Units (28 groups)	8 groups
	20 groups
Interceptor Units (10 squadrons)	9 squadrons
Support Fighter Units (3 squadrons)	No change
Air Reconnaissance Units (1 squadron)	No change
Air Transport Squadrons (3 squadrons)	No change
Airborne Early Warning Units (1 squadron)	No change
Air Defense Missile Units (6 groups)	No change
(Major Equipment)	
Operational Aircraft (Apx. 430 aircraft)	Apx. 400

Note: Figures in parentheses are of the current defense outline. Major equipment of the Ground Self-Defense Force is newly introduced.

DA Calls for 3.3 Percent Budget Growth Ceiling

OW2711120795 Tokyo YOMIURI SHIMBUN in Japanese 26 Nov 95 Morning Edition p 2

[FBIS Translated Text] The Defense Agency [DA] decided on 25 November to demand a 3.3 percent ceiling in growth of the FY96 defense budget, exceeding the 2.9 percent demanded in the budget request. It has started policy coordination within the government and the ruling parties. The DA decided to demand such a budget increase due to "changes in the situation after the budget request" (according to a source at the Liberal Democratic Party), including a necessary increase in equipment costs because of recent drastic yen depreciation.

The DA calls for an increase in the following: 1) operational expenses of about 18-20 billion yen due to recent yen depreciation, and 2) 3 billion yen to cover costs for the U.S. Forces in Japan following the conclusion of the new special Japan-U.S. accord.

Record Government Bond Issue Likely in FY96

OW2711121495 Tokyo KYODO in English
1140 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — The Ministry of Finance will have to issue a record 20 trillion yen in government bonds in the fiscal 1996 budget in light of slow tax revenues caused by stagnant economic activity, ministry officials said Monday [27 November].

The amount will break down into nearly 10 trillion yen in construction bonds and just over 10 trillion yen in deficit-covering bonds, the officials said.

The ministry is working on spending cuts to compile a budget with general account appropriations of 73 trillion yen for fiscal 1996 that starts next April.

This means that the fiscal 1996 budget will rely on government bond issues for more than 25 percent of general account revenues, the first rise above the level in 12 years.

The ministry anticipates tax revenues of just over 50 trillion yen for fiscal 1995. Based on the estimate and the continuation of income tax cuts, fiscal 1996 tax revenues are projected at 51 trillion yen, some 2 trillion yen short of the initial projection.

To cover the expected revenue shortfall for fiscal 1996 and finance the continuation of income tax cuts, the ministry will be forced to make the largest-ever issue of deficit-covering bonds, the officials said.

Some 2.9 trillion yen of the expected deficit-covering bond issues will be redeemed with revenues from a hike in the consumption tax rate planned for April 1997, the officials said. The remainder, however, will be offered without ensuring redemption funds beforehand, the first such issue in seven years.

As the ministry will also make a near-limit issue of construction bonds in fiscal 1996 and float bonds under the third supplementary budget for fiscal 1995, which is due to be compiled by the end of this year, the outstanding balance of government bond issues will swell to 243 trillion yen at the end of fiscal 1996 and make Japan's fiscal deficit stand out among major industrialized nations.

Major Commercial Banks Unveil Restructuring Plans

OW2411145295 Tokyo KYODO in English
1405 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Several major commercial banks on Friday [24 November] unveiled drastic personnel reduction programs amid their failures to pull out of the bad loan quagmire.

Mitsubishi Bank and the Bank of Tokyo, which are to merge to create Tokyo Mitsubishi Bank next April, said they plan to whittle down their combined workforce by 900 by the time of the planned amalgamation.

When the pair announced the merger plan in March, they had a combined workforce of 21,000.

Sakura Bank said it will eliminate a total of 2,300 jobs by the end of fiscal 1996 ending March 31, 1997.

Asahi Bank also said it will seek to cut its workforce by a total of 600-700 within the same timespan.

Daiwa Bank, which was ordered by U.S. banking regulators to end all its U.S. operations due to a bond-trading loss coverup scandal, said on Nov. 3 it will eliminate a total of 2,600 jobs.

Fuji Bank, which plans to post a pretax loss in fiscal 1995 by writing off a huge amount of problem loans, said it will cut its workforce by 1,200 jobs by the end of fiscal 1996.

Hokkaido Takushoku Bank, which plans to post a pretax loss for the second straight fiscal year in book-closing next March 31, said it will carry out a workforce cut of 200 to 300 over two years in addition to cutbacks already implemented.

Sumitomo Bank said it will eliminate a further 600 jobs by the end of the current fiscal year.

Meanwhile, Sanwa Bank, which is awash with the biggest net operating profit among major commercial banks, said it does not intend to eliminate a single job.

Banks May Waive All Loans to Housing Lenders

OW2411145195 Tokyo KYODO in English
1422 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — Many of Japan's 11 major commercial banks forecast they will eventually have to waive all claims on their bad loans to ailing housing loan companies, the banks said Friday [24 November].

They also predict agricultural-related banks and other lenders to the mortgage companies will be forced to give up their loans to them in proportion to the ratio of the lending extended, they said.

The banks said the forecast will be reflected in their balance sheets to be released next spring for fiscal 1995 through March 31.

A group of banks that founded the housing lenders in the 1970s and farm banks, the largest group of lenders to those housing lenders, are embroiled in a fray over how to share the burden of liquidating their bad loans.

Takeshi Yano, senior managing director at Mitsubishi Bank, said at a news conference, "The official position of the whole group of major commercial banks has been that each financial institution that lent to the housing lenders should share in the losses from liquidating them in proportion to each one's loans to them."

"But we cannot continue to stick to the position, so the mood is shifting to accepting the revised formula of sharing the losses," under which the founding banks would waive all of their claims, while other creditors would recover only a part of their loans on a proportional basis, he said.

Mitsubishi said it has a total of 73.2 billion yen in loans to the housing lenders as of Sept. 30.

Akishige Okada, managing director of Sakura Bank, told a separate news conference, "If the revised formula is adopted, we expect to post a certain amount of loss" in the unconsolidated profit balance for the entire 1995 business year ending next March 31.

The outstanding loans to Japan's seven housing lenders stood at the largest 300 billion yen at Sakura Bank at the end of September, followed by 297.5 billion yen at Sanwa Bank and 224.1 billion yen at the Bank of Tokyo.

The 11 banks' combined loans to the housing lenders came to 1.41 trillion yen.

Outline of Major Banks' Bad Loans, Write-Offs

OW2411160495 Tokyo KYODO in English
1518 GMT 24 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 24 KYODO — The nation's 11 major commercial banks, or city banks, saw their nonperforming loans shrink in the 1995 business year's first half ended in September but their exposure to ailing mortgage lenders could add to the delinquent portfolio, the banks said Friday [24 November].

Bad loans declined because the banks stepped up their write-offs on the back of solid net business profits which hit a record 1.87 trillion yen for the half-year period, up 71.1 percent from the same period a year earlier.

The banks have so far defined bad loans as those to bankrupt clients and those no interest payment has been made for six months or longer.

While loans to bankrupt debtors totaled a combined 2.06 trillion yen at the end of September, up from 1.77 trillion yen at the end of March, noninterest loans came to 6.01 trillion yen, down from 6.34 trillion yen, the banks said.

As a result, traditionally-defined bad loans reached 8.08 trillion yen, down 29.2 billion yen from the March level and 643.8 billion yen less than the level seen at the end of September 1994.

However, the banks began disclosing from the latest reporting period a third category of bad loans on which either interest rates have been lowered below the prevailing official discount rate or interest has been forgone entirely.

The new category, known as restructured loans, is significant because it includes lendings to Japan's seven debt-ridden housing loan corporations, most of which were founded by the bank themselves.

The third-category loans totaled 5.45 trillion yen, of which 1.40 trillion yen worth was held against mortgage lenders, according to the banks.

Combined with these loans with interest relief, the banks' overall delinquent loans came to 13.54 trillion yen.

The banks wrote off 1.36 trillion yen worth of bad loans in the half year by boosting loan-loss reserves, taking real estate put up as collateral for the loans to Cooperative Credit Purchasing Co., a banking industry vehicle to promote write-offs.

Fuji and Hokkaido Takushoku Banks said they will report net losses of 400 billion yen and 60 billion yen, respectively, for the full fiscal year through March.

Major commercial banks, which founded collapsing housing loan companies, are currently at loggerheads with agricultural-related financial institutions, the largest group of creditors to them, over how to clean up their mess.

Farming banks, affiliated with the nation's agricultural cooperatives, are calling on the founding banks to take full responsibility for expected losses following the liquidation of mortgage companies, whereas the founders are arguing that the loss burden should be shared among all lenders, including the agricultural ones, in proportion to the extent of the lending extended.

Most city banks hope to write off losses on loans to mortgage firms at a stroke during the second half of fiscal 1995, if the banking and farming sectors can strike a deal on a loss disposal scheme, financial sources said [sentence as received].

Both Mitsubishi Bank and the Bank of Tokyo expect to stay in the black even if they do dispose of such losses in a single sweep, officials of the banks said. The two banks are to merge in April.

Sakura Bank, on the other hand, said it would be forced into the red if founder banks have to bear the entire burden. Daiwa Bank also did not rule out the possibility of suffering a loss.

Concerning overall progress in bad loan write-offs, Fuji and Dai-Ichi Kangyo Banks said they have passed the peak and forecast write-offs will total 850 billion yen and 400 billion yen, respectively, in fiscal 1995.

Fuji will see more than 60 percent of bad loans covered by loan-loss reserves at the end of the current fiscal year, a bank official said.

Asahi expects to dispose of all its bad loans by the end of March 1996, while Sakura forecasts it will liquidate bad loans, excluding restructured loans, by the end of March 1996, officials of the banks said.

Hokkaido Takushoku predicts it will take at least another two to three years to clear itself of its delinquent loans, a bank official said.

Following are the balances of bad loans and write-offs revealed Friday by Japan's 11 city banks for the April-September first half of fiscal 1995 in billions of yen:

	Bad loans	(Including restructured loans)	Write-offs
Sanwa	1,354.3	(630.0)	251.1
Fuji	2,299.5	(1,060.0)	223.8
DKB	1,396.6	(198.9)	170.1
Mitsubishi	627.6	(108.1)	228.4
Sumitomo	1,438.9	(501.4)	96.1
Sakura	2,070.8	(818.3)	100.0
Tokai	1,181.2	(471.0)	84.5
BOT	546.7	(290.3)	86.4
Asahi	815.4	(381.9)	85.1
Daiwa	851.7	(491.6)	12.1
Hokkaido	973.4	(503.3)	24.5
total	13,556.6	(5,454.8)	1,362.1

note: DKB and BOT stand for Dai-Ichi Kangyo and Bank of Tokyo, respectively.

Coalition Panel Backs Public Money for Jusen

OW2711125995 Tokyo KYODO in English 1227 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — Members of a project team in the three-party ruling coalition drafted a plan on Monday [27 November] to use taxpayers' money to deal with problem loans battering housing loan companies [jusen], panel sources said.

The team also agreed to liquidate seven of the eight housing loan companies, known as "jusen" in Japan, the sources said. The plan was conveyed to the Liberal Democratic Party, the Social Democratic Party and New Party Sakigake [Harbinger].

The team will report the plan to a meeting on Wednesday of policy coordinators from the three parties in a bid to adopt the coalition's final scheme in early December for dealing with the housing lender problem, the sources said.

Members of the team agreed on the use of public money on the grounds of the government's involvement in the preparation of rehabilitation programs for housing loan firms.

As for how to use taxpayers' money, the sources said the project team envisages pouring the government's funds into a vehicle to take over problem loans from the housing lenders in order to cover costs such as the collection of claims.

While the planned liquidation of seven housing loan companies would cause losses on the part of financial institutions with claims on them, the plan adopted by the team calls for writing them off in a lump, the sources said.

Although the write-off of such losses over years was taken into consideration, the team agreed to shun the scheme for fear it might invite international criticism as lack of transparency in dealing with the housing lender problem.

Power Utilities Plan 'Voluntary' LDP Donations

OW2311102595 Tokyo KYODO in English 1011 GMT 23 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 23 KYODO — The electric power industry plans to donate about 1 billion yen to the Liberal Democratic Party (LDP) by collecting money from officials at managerial posts on a voluntary basis, an industry source said Thursday [23 November].

The 1 billion yen is part of 10 billion yen in political donations to be made by the Federation of Economic Organizations (Keidanren) to the LDP, the largest force in the three-party ruling coalition.

The LDP has asked Keidanren, a powerful lobby for major Japanese industry groups, for the donations to help the party repay 10 billion yen it earlier borrowed from major commercial banks to finance its general election campaign in 1993.

Though the electric power industry had adopted a basic policy of rejecting calls from political parties for corporate donations, as a Keidanren member it is obliged to come up with the 1 billion yen in donations, the source said.

As a result, the industry opted for collecting funds through personal donations, the source said, with concrete measures to be discussed at a meeting early next year of presidents of member companies of the Federation of Electric Power Companies.

Observers said the move could draw objections from industry workers because they will be virtually forced to donate money to a political party.

Kansai Power To Refuse To Donate

OW2411134995 Tokyo KYODO in English 1307 GMT 24 Nov 95

[FBIS Transcribed Text] Osaka, Nov. 24 KYODO — The president of Kansai Electric Power Co. said Friday [24 November] the company will refuse to donate to the Liberal Democratic Party (LDP) even if requested.

Public utilities take consumers' views into consideration in dealing with issues like political donations, said Yoshihisa Akiyama as he released his company's results for the April-September first half of fiscal 1995.

Current conditions do not warrant a change in Kansai Electric's policy of rejecting political donations, he added.

With regard to 10 billion yen that the LDP, the biggest force in the three-party ruling coalition, borrowed from major commercial banks to finance its general election campaign in 1993, the influential Federation of Economic Organizations (Keidanren) decided to collect donations to help the party repay the debt.

The Japan Iron and Steel Federation has declared its intention to respond to Keidanren's arrangement.

Akiyama said he has received no request for donations from either the LDP or Keidanren.

Electric power companies stopped political donations in 1974 in reaction to strong public criticism. In 1993, furthermore, they discontinued donations in the form of advertisements run in the LDP's publications by their industry association, the Federation of Electric Power Companies.

Resumption of such advertisements would produce more adverse effects than positive ones, Akiyama said. But the question should be left to the federation, he added.

Poll Shows Discontent With Political Parties

OW2611104595 Tokyo YOMIURI SHIMBUN in Japanese 24 Nov 95 Morning Edition p 1

[FBIS Translated Text] "Corruption and bribery" tops the list of images people link to the Liberal Democratic Party [LDP], while "unreliability" has suddenly emerged as an image people associate with the Social Democratic Party of Japan [SDPJ]. Such are the results of a nationwide public opinion poll conducted by YOMIURI SHIMBUN in late October on the people's impression of the major political parties. Positive images are slightly noticeable in regard to people's impression of the New Frontier Party [NFP], which was formed about one year ago. In general, however, the people have a noticeably negative impression of political parties, particularly parties that have been established for quite a while. It can be said that the results of the poll show once again reasons for the people's distrust of, and disgust with, political parties since the inauguration of the administration of former Prime Minister Morihiro Hosokawa two years ago. YOMIURI SHIMBUN has conducted this poll every five years from 1980.

"Money politics" ranked second to "corruption" as the image linked to the LDP. Also notable were "old" (9th in rank) and "dirty" (10th in rank), and positive images such as "stability" and "freedom" have receded in comparison to results of the previous poll.

As for the SDPJ, Prime Minister Tomiichi "Murayama" and "Takako Doi" ranked first and third, respectively, as the image people link to the party. "Unreliability," which ranked 10th in the previous poll, shot up to second place in the list of images associated with the party.

Also ranking in the top 15 in the list of images linked to the SDPJ were a multitude of negative images such as "indecisiveness," "incoherence," "dislike," "only talk," and "on the downfall." However, with the SDPJ becoming a member of the ruling coalition, "opposition," which has always been around the top of the list of images associated with the party in previous polls, has disappeared this time.

Regarding Sakigake [Harbinger], "small," "dislike," and "unreliable" ranked high on the list of images people link to the party.

Regarding the NFP, "new, fresh" topped the list of images associated with the party, followed by NFP Secretary General "Ichiro Ozawa," and "carry on" [ganbare]. While the party enjoyed such positive images, more than a few people held such impressions as "jumbled," "Soka Gakkai" [Buddhist organization], "religious-political party," and "strongly Komeito-colored."

As for the Komeito, "religion" and "Soka Gakkai" ranked first and second, respectively, in the list of images linked to the party. "Daisaku Ikeda," honorary chairman of Soka Gakkai, rose from eighth place in the previous poll to fourth place this time as the image people associate with the party.

Regarding the Japan Communist Party, "red" and "dislike, undesirable" were images that a majority of the people attach to the party.

Ruling Parties Confirm Consolidation of Unity

OW2511144995 Tokyo MAINICHI SHIMBUN in Japanese 22 Nov 95 Morning Edition p 2

[FBIS Translated Text] As Prime Minister Tomiichi Murayama has officially announced his intention to undertake proxy signing procedures concerning the compulsory leasing of private land for U.S. military use, the three ruling parties — the Liberal Democratic Party [LDP], the Social Democratic Party of Japan [SDPJ], and Sakigake [Harbinger Party] — confirmed on 21 November a policy of making persistent efforts to consolidate their unity and to maintain the coalition administration under Prime Minister Murayama. Some LDP members even maintain that they should call for forming a unified floor group of the three ruling parties in the Diet. Now that the scenario that Murayama would resign after "adorning the last days of his career as prime minister at the APEC" conference in Osaka has vanished, there is strong speculation that a dissolution of the House of Representatives and a general election will take place in or after April at the earliest following the Diet passage of the FY96 budget.

In extending the current extraordinary Diet session, the LDP has implicitly promised the SDPJ and Sakigake that "it would not demand a lower house dissolution and abdication of power for the time being." Rumors were rife in political circles that the prime minister or Ryutaro Hashimoto, deputy prime minister and international trade and industry minister, would resign after the APEC Osaka conference. Murayama indicated his intention after the APEC conference to remain in office, and the possibility of a political change of government in late November has vanished.

There is a long-standing call within the LDP for Hashimoto to become prime minister. However, the Hashimoto himself and the LDP leadership, including Secretary General Koichi Kato, have ventured to choose a scenario that the "prime minister will remain in office and there is no abdication of power," after they analyzed the situation concerning the next general election.

Secretary General Kato, Deputy Secretary General Hiromu Nonaka, and other members in charge of the election have come to the following conclusion after thorough discussion: "Candidates are yet to be decided in 75 constituencies of the 300 single-seat constituencies. Even if candidates are immediately selected in all the constituencies, they will inevitably be forced to have a tough game in competition with New Frontier Party candidates mainly in urban areas. At this point, there is a possibility that the LDP will not be able to win 200 seats."

Among LDP members who endorse the policy of maintaining the coalition government are Kato, Nonaka, and Shizuka Kamei who chairs the party's public relations organization. On the other hand, former Secretary General Seiroku Kajiyama, one of the LDP influential persons, maintains: "It is necessary to have party president Hashimoto devote his energies toward party affairs in a bid to display the LDP's originality." Given the situation, the party leadership, worried that the pursuit of the party's originality will lead to an instability in the political situation, is persuading Kajiyama and other members.

Hashimoto also denied at a 21 November news conference the possibility of an early dissolution of the lower house, saying: "The result of the by-election in Saga Prefecture will not affect the (timing of dissolving the lower house and holding a general election). We want to draw lessons for the party's future from the election." It is expected that the ruling parties' policy coordination over such issues as the national defense program outlines and the land taxation system will face rough-going in late this year. However, Secretary General Kato has indicated an intention of seeking compromises at the very limit, stressing: "The administration will not possibly collapse over policy issues."

Tsutomu Hata Decides To Run for NFP President

OW2511150195 Tokyo ASAHI SHIMBUN in Japanese 24 Nov 95 Morning Edition p 2

[FBIS Translated Text] Tsutomu Hata (former prime minister), vice president of the New Frontier Party [NFP], has decided to run in the NFP party leadership race to be held in December. The party is urging "public participation" in this election. Hata has also firmed up his intention that, if he wins, he will select someone other than incumbent NFP Secretary General Ichiro Ozawa as the new party secretary general, a post over which the party president has authority. Hata made his decision before the backdrop of mounting dissatisfaction with Ozawa's steering of party affairs, in addition to widespread views within the NFP that incumbent party president Toshiki Kaifu does not have a strong-enough image as a party president for the NFP to rely on in fighting the next general election. Kaifu has indicated a willingness to run for reelection, while keeping in mind that he would have Ozawa serve as secretary general. Thus, the disposition of Ozawa, who has led political realignment ever since the inauguration of the administration of former Prime Minister Morihiro Hosokawa, has become the focal point of the NFP presidential election.

Hata ran in the presidential election at the outset of the formation of the NFP late last year, backed by dietmen belonging to the former Shinseito [Japan Renewal Party]. However, Hata lost to Kaifu, who was backed by Ozawa and members of former Komeito, the Japan New Party [JNP], and other parties. Hata has decided to run in the presidential race with the idea of relieving Ozawa from taking charge of party affairs for the following reasons: Ozawa is coldhearted in handling Diet affairs and formulating party policies; he has failed to clearly hammer out an offensive stance against the ruling coalition parties; and he has frequently acted on his own authority in personnel appointments and other matters, tending to bring about a lack of transparency in the decisionmaking process.

As of 23 November, Hata has met with Kazuo Aichi and other former members of Shinseito who have formerly served as cabinet ministers, to begin work on formulating party policies that have as pillars such concepts as "a small government" and "the building of a socioeconomic structure that places added emphasis on the principle of self responsibility." From next week on, dietmen close to Hata plan to conduct full-fledged activities to gain support within the party. The campaigning will be conducted primarily by dietmen who belonged to the former Shinseito and endorsed Hata in the last party presidential election. However, as some NFP members have pointed out, "the party cannot win in the general election unless Mr. Ozawa is secretary general," and it is uncertain as to how much support Hata can garner. It is also uncertain as to whom Hata plans to select as the new secretary general to replace Ozawa.

However, NFP members, who belonged to the former Komeito and JNP and endorsed Kaifu in the last presidential election, have distanced themselves from the "Kaifu-Ozawa lineup" ever since the party leadership reshuffle in late September. Therefore, it is possible that these members may decide to support Hata when it comes to a showdown between Kaifu and Hata, without a third candidate entering the race.

LDP Proposes Summoning Soka Gakkai's Ikeda

OW2711114495 Tokyo KYODO in English 1104 GMT 27 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 27 KYODO — The Liberal Democratice Party (LDP), the dominant force in the ruling coalition, called Monday [27 November] for summoning two leaders of a lay buddhist group to the Diet as unsworn witnesses.

LDP lawmaker Hidehisa Otsuji told a House of Councillors panel meeting that the panel should listen to the opinions of Daisaku Ikeda, honorary president of the group, Soka Gakkai, and Einosuke Akiya, its president, about a government-proposed bill to rewrite a law governing religious groups.

Soka Gakkai supports the main opposition Shinshinto (New Frontier Party) and is seen by the opposition as a target of the bill.

Noriyuki Sekine, an upper house member from the LDP, said large religious organizations have recently become more actively involved in politics and called on the government to limit such activities.

Prime Minister Tomiichi Murayama responded that the constitution guarantees the right of political activities for religious groups as well as for individuals.

The upper house panel opened debate on the bill after it voted down a no-confidence motion submitted by a Shinshinto-led parliamentary bloc against the chief of the panel, Man Sasaki from the LDP.

The bill was passed by the House of Representatives on Nov. 13 together with a lower house vote for extending the current Diet session by 32 days until Dec. 15.

The tripartite ruling coalition drew up the bill to revise the law on religious corporations following a series of crimes allegedly committed by the religious cult Aum Shinrikyo.

Shinshinto was formed in December 1994 with the merger of nine noncommunist opposition parties, including Komeito which was founded as a political wing of Soka Gakkai.

Some political analysts say the lay Buddhist group played a large role in Shinshinto's success in the July upper house poll.

The three ruling coalition parties — the LDP, Murayama's Social Democratic Party and New Party Sakigake — hope to enact the bill during the current Diet session, which was originally scheduled to end Nov. 13.

North Korea

U.S. Attempts To 'Stifle' Country Criticized

SK2511090895 Pyongyang KCNA in English 0847 GMT 25 Nov 95

["U.S. Attempt To Stifle DPRK Still Unchanged" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — NODONG SINMUN today in a bylined article deals with the unchanged U.S. attempt to stifle the Democratic People's Republic of Korea.

The United States has recently made before for close military relations with South Korea and Japan and for strengthened "security alliance", the paper says, and goes on: [sentence as received]

Of late the United States has tried to build up "security system", insisting on the "sustained presence" of the U.S. forces in Asia-Pacific region as never before for the purpose of achieving domination over the region as the only superpower as well as stifling the DPRK for the present.

The U.S. is, in actuality, reinforcing its forces present in South Korea and putting spurs on the modernisation of the South Korean puppet army in a bid to stifle the DPRK by force of arms. At the same time, it stages military manoeuvres against the DPRK almost every day in league with the South Korean puppets. It has carried out large-scale manoeuvres dubbed Foal Eagle 95, a replica of the "Team Spirit" nuclear war gamble, in the wake of those codenamed Freedom Banner 95 and Ulchi Focus Lens 95. Some time ago it decided to stage annual joint military manoeuvres apart from the "Team Spirit" manoeuvres with the far-fetched argument that there is no change in "military threat" from the DPRK and there "may be provocations".

All this is a proof that the U.S. is groundlessly taking issue with the DPRK to justify its arms buildup and war exercises and seeking a military adventure.

Billy Graham's Son Visits Kumsusan Palace

SK2711023695 Pyongyang KCNA in English 0225 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — Rev. Nelson E. Graham, son of Rev. Billy Graham, who is religious leader of the United States, and his party on Sunday [26 November] visited Kumsusan Memorial Palace where the great leader President Kim Il- song is preserved in state and made a bow to him.

A gift prepared by Rev. Billy Graham for President Kim Il-song was handed by Rev. Nelson E. Graham to Vice-Premier and Foreign Minister Kim Yong-nam on the day.

Meets With Foreign Minister Kim

SK2711024295 Pyongyang KCNA in English 0226 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — Vice-Premier and Foreign Minister Kim Yong-nam met and had a talk with Rev. Nelson E. Graham, son of Rev. Billy Graham, who is religious leader of the United States, and his party at the Mansudae Assembly Hall on November 26.

The foreign minister gave a luncheon for them on the same day.

Signing of ROK-U.S. Defense Accord Criticized

SK2711011795 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 26 Nov 95

[FBIS Translated Text] According to a radio report from Seoul, on 24 November the traitorous Kim Yong-sam clique officially signed the special agreement on sharing South Korea-U.S. defense expenses, thus committing a disgraceful act by worshiping the United States.

This agreement stipulates that of the expenses required to maintain the U.S. Forces in South Korea, the expenses to be shared by the puppet clique will be increased by 10 percent annually based on the $300 million shouldered this year by the puppet clique.

People from all walks of life in South Korea highly raised strong voices in condemnation of the treacherous act of the puppet clique that begged for the U.S. Forces to remain, even offering to pay the expenses, comprising a blood tax squeezed from the people.

Nevertheless, the puppet clique signed the disgraceful agreement which stipulated the increased amount of the share of expenses to be offered, according to the demand of its masters, while at the same time imploring a permanent occupation by the U.S. Forces. The puppet clique decided to put this agreement in force beginning 1 January 1996.

Act of 'Subordination' to U.S.

SK2711025895 Pyongyang KCNA in English 0249 GMT 27 Nov 95

["'Special Accord for Defence Cost Sharing' Signed by South Korean Puppet Clique" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — The Kim Yong-sam traitorous clique on November 24 officially signed a South Korea-U.S. "special accord for defence cost sharing", according to a radio report from Seoul. This is an act of worship and subordination to the United States.

The accord obliges the puppet clique to annually increase its share of the cost for keeping the U.S. troops in South Korea by 10 percent with 300 million U.S. dollars this year as a base line.

The South Korean people are now strongly denouncing the treacherous act of the puppet clique who pay the cost for keeping the U.S. troops in South Korea with blood-taxes which are squeezed from the people.

But the puppet clique signed the humiliating "accord" which stipulates an increase of its cost sharing in obedience to the demand of its master, begging for the permanent presence of the U.S. troops, and decided to bring it into effect from January 1 next year.

U.S. Offering of Weapons to ROK Denounced

SK2611065695 Pyongyang Korean Central Broadcasting Network in Korean 0755 GMT 24 Nov 95

[Unattributed talk: "Anachronistic Policy of Strength"]

[FBIS Translated Text] Recently, the United States has more frenziedly run amok, offering more lethal weapons to the Kim Yong-sam fascist clique.

Some time ago, the U.S. Army created an organization to turn over more military equipment, including antitank missiles, to the South Korean puppets in close cooperation with U.S. military industrial circles. These maneuvers are intended to crush our Republic by means of armed force, and are a challenge to the Korean people and to the world's peaceloving people who wish for peace and peaceful reunification.

It is the invariable ambition of the United States to dominate the world through strength. It is widely known that the United States looks upon the Korean peninsula as the first target in realizing its ambition.

The United States is attempting to invade our country with armed force. Using our country as a stepping stone, the United States is trying to realize its ambition to dominate the world.

For this, the United States brings its military equipment into South Korea on a large scale. In recent years, the United States introduced into South Korea numerous ultramodern war equipment, including F-16 fighter-bombers and Patriot missiles, deploying them there.

Almost all modern weapons and war equipment—which the United States researched, developed, and produced by investing enormous amounts of money in order to secure its superiority in strength— have been deployed in South Korea.

Because of the constant U.S. troop reinforcement maneuvers in South Korea, today South Korea has been reduced to a most dangerous war powder magazine and nuclear weapons storage house in the world [segyejoguro kajang wihomhan chonjaeng hwayakkoro, haek mugikoro chonbyon toessumnida].

Nevertheless, the United States is viciously scheming to bring even more modern military equipment into South Korea. Timed to coincide with this, various war exercises, reminiscent of real war, are being continually staged throughout South Korea.

These war exercises are extremely adventurous war exercises designed to invade our Republic and provoke a new global war. Such war maneuvers by the United States against our Republic further aggravate DPRK-U.S. relations and impose a great threat to the peace and security of the world.

We and the United States are two belligerent sides who are in a temporary state of armistice [ilsijogin chongjon sangtae e innun] according to the armistice agreement. Furthermore, because of the U.S. premeditated and irresponsible act, the Armistice Agreement remains in name only, and the armistice supervisory organization, the implementation organization of the agreement, has become a mere nominal organization. This situation may lead to a military collision [kunsachok chungdol] on the Korean peninsula, even through accidental causes.

The undisguised military aggression maneuvers by the United States against us will bring about grave consequences for the outbreak of a new war [saeroun chonjaengui palbarul kajo onun omjunghan kyolgwarul chorae toelkossimyo] on the Korean peninsula. When this happens, the flames of war will easily expand into other broad areas [i pulkirun swipsari tarun nolbun chiyoguro hwaktae toegye toel kossimnida].

Our people will never remain onlookers to the situation in which our sovereignty is being infringed upon by others and the peace and security of the world is being threatened.

Our people love peace more than anyone else. However, we will never beg for it. The United States will gain nothing from provoking a new war on the Korean peninsula.

The United States should correctly realize that the policy of strength is not almighty, especially today when the Cold War has ended. The United States, should renounce its erroneous policy toward Korea and make a courageous decision to conclude a peace agreement with us and bring an end to belligerent relations [kyojon kwangye].

'Military Exercise' Against North Denounced

SK2611074695 Pyongyang KCNA in English 0653 GMT 26 Nov 95

["Military Exercise and Provocations Against North" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 26 (KCNA) — The South Korean puppets on Friday carried out a provocative military exercise against the northern half of Korea in the forefront area, according to military sources.

Three fighters of the puppets' air force flew, in broad daylight that day, above the area along the Military Demarcation Line (MDL) in Yanggu County, Kyonggi Province, and ran towards the direction of Kosong, South Korean Kangwon Province, thus getting on the North's nerve seriously.

On the same day, the puppets deployed military vehicles hauling nine 105 mm guns in the area of Phaju County in the mouth of the River Imjin, the forefront area, and staged an artillery firing exercise against the North.

On the other hand, ten helicopter gunships of the puppet army made low- and ultra-low altitude flights for hours in the sky above the area adjacent to the Demilitarized Zone (DMZ) in Yanggu County for an exercise to fire missiles at targets in the North.

On November 23-24, the puppets brought about 1,200 armed soldiers and more than 300 military vehicles into the DMZ in the western, central and eastern sectors of the front.

This vividly shows that the Kim Yong-sam group, driven into a serious ruling crisis for the "slush fund scandal", is making a desperate bid to find a way out in unleashing a war against the North.

Kim Yong-sam's Decision on 'Special Law' Viewed

SK2711112595 Pyongyang KCNA in English 0456 GMT 27 Nov 95

["Last Resort of Traitor" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — The traitor Kim Yong-sam, on November 24, ordered the "Democratic Liberal Party" to enact a special law for an investigation into the Kwangju massacre and punishment of the murderers.

Commenting on the fact, NODONG SINMUN today views the step he took suddenly as the last resort of the traitor driven into a tight corner.

The step means his yielding to the powerful struggle of the South Korean democratic forces for the enactment of a May 18 special law aimed at a probe of the Kwangju bloodbath and punishment of the murderers and is an elementary victory of the South Korean people in their persistent struggle, the paper says, and continues:

It is clear to everyone that the step is not an "important resolution to correct the history" as described by the Kim Yong-sam group but a popularity-hunting scheme to save themselves from their serious crisis and create a situation favorable to them in the next year's puppet National Assembly election.

They are not only a group of traitors who have defended the chief culprits of the massacre and engaged in treacheries hand in hand with them but also accomplices of the traitor No Tae-u in the slash fund scandal.

They must clearly see the situation, leave the issue of the punishment of the Kwangju murderers to the South Korean people, clarify the truth behind the slush fund scandal and step down without delay as demanded by the people.

Undisguised Japanese 'Re-Invasion' Move Noted

SK2511090295 Pyongyang KCNA in English 0843 GMT 25 Nov 95

["Japan's Move for Re-Invasion of Korean Peninsula Undisguised" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — The Japanese YOMIURI SHIMBUN November 23 reportedly said the Japanese Government is working out an annexed proposal within the framework of the new "defence policy outline" simulating an "event of contingency" in the Korean Peninsula and other regions.

The annexed proposal, to be determined at a November 28 Cabinet meeting, outlines down-to-earth arms line-up and major equipment for the sake of quality increase of the "self-defence forces" to cope with an "event of contingency" in the Korean Peninsula, under the pretext of "ensuring peace and security" in the Asia-Pacific region, the paper said.

This indicates that the military strategy of the "SDF" is changing from the former "North-oriented" policy to the "West-oriented" policy simulating an "event of contingency" in the Korean Peninsula and other areas, noted the paper.

In connection with it, KYODO said that the Defence Agency is planning to boost two small units to brigades, keep the fleet escort forces of the Maritime Self-Defence Force intact and offset some cutbacks in the Ground Self-Defence Force with deployment of armoured transport vehicles to buttress the mobility of the troops.

KYODO also said the Defence Agency decided that the outline should stress the importance of the "Japan-U.S. Security Treaty" for "stability in Asia".

This indicates that the Japanese reactionaries' move to realize the dream of re-invasion of Korea is getting more undisguised at a very dangerous stage.

Food Aid Delivered by International Agencies

SK2511105795 Pyongyang KCNA in English
0959 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — Food offered by the World Food Program and Caritas, an international voluntary service organisation, to flood-stricken areas of Korea as humanitarian relief goods arrived at Nampo Port on Friday.

5,140 tons of rice, the first shipment of food from the World Food Program, and 1,400 tons of rice from Caritas were transferred at the port.

Trevor page, representative of the World Food Program, and Kathi Zellweger, director of the International Cooperation Department of Caritas, staying in korea, delivered the relief goods to Korean officials concerned.

Ministry Statement on Bosnia-Herzegovina Pact

SK2511135495 Pyongyang Korean Central Broadcasting Network in Korean
1200 GMT 25 Nov 95

[FBIS Translated Text] A spokesman of the DPRK Foreign Ministry today answered as follows a question raised by a KOREA CENTRAL NEWS AGENCY reporter in connection with the peace agreement in Bosnia- Herzegovina, which was initialed a few days ago:

As already reported, on 21 November the presidents of Serbia, Croatia, and Bosnia-Herzegovina initialed a peace agreement, and accordingly, the United Nations Security Council decided to lift sanctions against Yugoslavia.

This is viewed as a progressive step toward terminating the longstanding disputes in Bosnia-Herzegovina, and for achieving peace and stability in this region. We welcome the Bosnia-Herzegovina peace agreement.

The consistent position of our Republic's Government is that all issues of dispute, including ethnic and religious disputes, should be settled through dialogue and negotiation between parties concerned, not through sanctions or pressure. Thus, we have repeatedly claimed that the dispute in the former Yugoslavia must be settled peacefully.

We hope that the peace agreement will be correctly implemented so that this regional dispute can be settled fairly in the interests of the parties concerned, including Yugoslavia.

Lifting the embargo on Yugoslavia will contribute to lasting peace, stability, and development in the Balkan area.

The process of peaceful settlement of the Bosnia-Herzegovina dispute shows that the trend of the times today is to prevent war and aim for peace.

However, there still exists an unstable armistice system and military tension on the Korean Peninsula. A new peace guarantee system that can guarantee a lasting peace and security should be set up on the Korean Peninsula as soon as possible in conformity with the international trend toward detente and reconciliation.

Protocols Signed With Romania, Yugoslavia

SK2511031195 Pyongyang KCNA in English
0247 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — Protocols on cooperation between the DPRK Ministry of Foreign Affairs and its Romanian, Yugoslav and Macedonian counterparts were separately signed in the capitals of those countries.

They were signed by DPRK Vice-Minister of Foreign Affairs Kim Chang-yong, secretary of state of the Foreign Ministry of Romania Marcel Dinu, Yugoslav Vice Foreign Minister Dzhibadin Jovanovic and Macedonian

Vice Foreign Minister Viktor Gaber [spelling of names as received].

Delegation Visiting Pakistan Attends Banquet

SK2611224695 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 24 Nov 95

[FBIS Translated Text] Our country's military delegation visiting Pakistan, and which is headed by Comrade Choe Kwang, marshal of the Korean People's Army, member of the Political Bureau of the Workers Party of Korea Central Committee, vice chairman of the DPRK National Defense Commission, and minister of the People's Armed Forces, was invited to a banquet on 20 November arranged by the Pakistan Defense Ministry.

Pakistan's defense minister, the chairman of the headquarters of the Joint Chiefs of Staff, the chief of Naval Operations, the secretary and assistant secretary to the Defense Ministry, the secretary to the Foreign Ministry, and other functionaries concerned were on hand. Members of our country's military delegation, the DPRK ambassador to Pakistan, and a military attache were invited to the banquet. The banquet was held amid a warm atmosphere.

On 21 November, the delegation visited plants and enterprises outside the capital, and was invited to a luncheon. On this day, the delegation left Islamabad and arrived in Lahore.

On 22 November, the delegation visited historic spots in Lahore, and left here arriving in Karachi.

Returns From Pakistan 25 Nov

SK2511234495 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 25 Nov 95

[FBIS Translated Text] The DPRK military delegation led by Comrade Choe Kwang, marshal of the Korean People's Army [KPA], member of the Political Bureau of the Workers Party of Korea Central Committee, vice chairman of the DPRK National Defense Commission, and minister of the People's Armed Forces, returned home by plane on 25 November from a visit to Pakistan.

KPA Vice Marshals Cho Myong-nok, director of the KPA General Political Bureau; Kim Yong-chun, chief of the General Staff; Kim Kwang-chin, first vice minister of the Ministry of the People's Armed Forces; and KPA general-grade officers and officers received the delegation at the airport. Rehmdil Bhatti, ambassador of the Islamic Republic of Pakistan to the DPRK, also received the delegation.

The delegation left Karachi, Pakistan, today for the return trip. Prior to this, on 23 November, the delegation laid a wreath before the tomb of Mohammad Ali Jinnah, the founder of Pakistan, in Karachi; visited the headquarters of the Fifth Corps of the Pakistani Army and the headquarters of the Pakistani Marine Corps; and inspected the Navy general training base.

Syrian Prime Minister Receives Ambassador Pak

SK2711142295 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 25 Nov 95

[FBIS Translated Text] Syrian Prime Minister Mahmud al-Zu'bi received Pak Ui-chun, DPRK ambassador to Syria, on 22 November. During the meeting, the prime minister said that he is well aware of the fact that the great leader [yongdoja] Comrade Kim Chong-il is strengthening and developing the Workers Party of Korea into the great leader [suryong] Comrade Kim Il-song's party. He said that Korea must be reunified for world peace, and also stated that the government of the Syrian Arab Republic supports the DPRK Government's position for Korea's reunification and firmly stands by the Korean people's side.

Obituary of Director of Electronic Commission

SK2711023295 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 27 Nov 95

[Obituary of Comrade Kim Chang-ho announced by the Workers Party of Korea Central Committee and the DPRK Administration Council]

[FBIS Translated Text] Comrade Kim Chang-ho, member of the Workers Party of Korea [WPK] Central Committee, deputy to the DPRK Supreme People's Assembly, and chairman of the Electronic and Automation Industry Commission, passed away due to a sudden illness at age of 60 at 1215 [0315 GMT] on 26 November 1995.

Comrade Kim Chang-ho actively struggled for the nation's socialist construction by upholding the leadership of the party and the leader [suryong].

While working for many years in responsible positions in the party, state organizations, major plants, and enterprises, the comrade contributed to the development of the mechanical industry as well as the electronic and automation industry.

Although Comrade Kim Chang-ho has passed away, his merits dedicated to our party and to the revolutionary cause will remain forever.

[Dated] 26 November 1995

[Signed] WPK Central Committee
The DPRK Administration Council

Kim Chong-il Sends Wreath

SK2711101695 Pyongyang KCNA in English 0926 GMT 27 Nov 95

[FBIS Transcribed Text] Pyongyang, November 27 (KCNA) — The great leader Comrade Kim Chong-il today sent a wreath to the bier of the late Kim Chang-ho, member of the Central Committee of the Workers' Party of Korea, deputy to the Supreme People's Assembly of the DPRK and chairman of the State Commission of Electronics and Automation Industry, expressing deep sorrow at his death.

Commendations Awarded to Public Security Officers

SK2511031595 Pyongyang KCNA in English 0239 GMT 25 Nov 95

[FBIS Transcribed Text] Pyongyang, November 25 (KCNA) — Official commendations and gifts were given to participants in the national meeting of public security men on Friday [24 November].

Commendations of the great leader Comrade Kim Chong-il were given to officer Sin Nam-chun and 36 other public security men who had creditably defended the socialist homeland and the gains of the revolution with intense loyalty to the Workers' Party of Korea and the leader and the spirit of devoted service for the people.

Officer Yun Su-pong was awarded the title of Labor Hero of the Democratic People's Republic of Korea and many others honorary titles, orders and medals.

Gifts sent by Comrade Kim Chong-il were also conveyed to the participants in the meeting.

Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea and vice-president, was present there.

Talk Lauds WPK as Revolutionary Party

SK2711104195 Pyongyang Korean Central Broadcasting Network in Korean 2245 GMT 20 Nov 95

[Unattributed talk from the "Rays of Chuche" program: "Our Party Is a Revolutionary Party Struggling by Uniting With the Popular Masses"]

[FBIS Translated Text] In his classical work, "The Workers Party of Korea [WPK] Is the Great Leader Comrade Kim Il-song's Party," the great leader [yongdoja] Comrade Kim Chong-il noted: Because our party has thoroughly embodied the chuche-oriented leadership principle and leadership method in the revolution and construction, it has been able to make great achievements by leading the popular masses' cause of independence to brilliant victory. He then scientifically elucidated: One of the important contents in embodying the chuche-oriented leadership principle and leadership method is that in leading the revolution and construction, our party has always defended the demands and interests of the popular masses, relied upon the popular masses, and struggled by uniting with the popular masses.

The great leader Comrade Kim Chong-il has indicated: In leading the revolution and construction, our party has always defended the popular masses' demands and interests, relied upon the popular masses, and struggled by uniting with the popular masses.

In leading the revolution and construction, our party has always defended the popular masses' demands and interests and relied upon the popular masses.

For the party to defend the demands and interests of the popular masses means to respect the popular masses' independent aspiration and demands for the revolution and construction and actively struggle for their realization.

For the party to rely upon the popular masses means to solve all problems arising in the revolution and construction by inspiring the popular masses' creative strength and revolutionary zeal.

The policy of defending and realizing the popular masses' independent demands and interests is a most revolutionary and scientific policy, and relying upon the popular masses and exalting the popular masses' strength and wisdom is a basic demand in the revolutionary leadership. It is because, as elucidated by the chuche idea, the popular masses are the masters of the revolution and construction and because the strength which gives a great impetus to the revolution and construction also lies in the popular masses.

The popular masses possess inexhaustible strength and are most clever and intelligent beings. If there is an almighty being in this world, it would definitely be the popular masses, and the popular masses are the great teacher of the revolution. Therefore, when one trusts and relies on the people, who are the mighty and intelligent being, one is victorious. When one is separated from and rejected by the people, one is always defeated. This is the ideology of respecting the people as heaven, which the respected and beloved leader Comrade Kim Il-song took as his motto. Accordingly, this has become the basic starting point and the highest principle in all activities of our party.

The respected and beloved leader Comrade Kim Il-song was the great leader of the people and the father of the people. The great leader's [suryong] ideology, leadership, and feature were based on his love and trust toward the people and were characterized by them all the time.

The great leader [suryong] mingled with the people his whole life, shared joy and sorrow with the people, and devoted his all to the people. He firmly trusted our people's strength and wisdom and their outstanding quality. He relied on the popular masses and resolved all problems by inspiring the masses' revolutionary zeal and creative strength.

Our party has thoroughly embodied the great leader Comrade Kim Il-song's lofty ideology which regarded the people as heaven and his revolutionary leadership method in all his activities. Our party has set forth lines and policies by correctly reflecting the popular masses' will and demands. It has mobilized the popular masses' strength and wisdom and thoroughly implemented them.

The great leader [suryong] considered the demands of the people first whenever he made a decision. ?e also considered the convenience of the people whenever he built a plant.

Right after national liberation, the steel materials situation in our country was very difficult. Nevertheless, considering the workers' health and lives first, our party destroyed the original railway of Songjin steel works. Thus, all policies of our party are geared to the people's interests and happiness.

Our party has not only set forth all lines and policies by correctly reflecting the popular masses' will and intention, but has also implemented them by mobilizing the popular masses' strength and wisdom. Only when the popular masses' creative strength and wisdom are correctly mobilized, can any difficult problems be successfully resolved and victory can be achieved in the revolution and construction.

Our party has firmly given priority to its ideological work, political work, of awakening the popular masses ideologically and rallying them organizationally in order to actively mobilize and utilize their creative strength and wisdom.

Our party has also persistently struggled to drive out bureaucratism among functionaries and to establish a revolutionary work method and a people-oriented work style among them in order to defend the popular masses' demands and interests and to victoriously advance the revolution and construction on the strength of the popular masses. As a result, mingling with the people in response to the party's slogan, "We serve the people"; breathing together with the popular masses; devotedly working for the people; and carrying out the revolutionary task on the strength of the popular masses have become a firm rule in our party's activities and our functionaries' work.

Our party is the mother party which looks after the destinies of our popular masses in a responsible manner. Our politics is the politics of trust and love toward the people, that is, the politics of benevolence.

Our party is the genuine guide and protector of the people who are looking after the popular masses' destiny in a responsible manner, like a mother who loves and warmly looks after her son.

As our party, the mother party, has carried out the politics of love and trust toward the people, that is, the politics of benevolence, all the people uphold the leader [suryong] as their blood mother and believe and follow the party's bosom as the bosom of their mother. Thus, the leader [suryong], the party, and the masses have formed a social and political organism which shares the same destiny.

The party and the leader [suryong] trust and love the people. The people absolutely trusts the party and the leader [suryong] and upholds the party and the leader with loyalty. Based on these genuine comradely relationship, that is, the firm blood ties, the singe-hearted unity of the leader [suryong], the party, and the masses has been consolidated and developed, and, at the same time, the popular masses' revolutionary zeal and creative might have been highly enhanced.

Relying on the popular masses and struggling by uniting with them! Herein lies the secret that our party has achieved constant victories by vigorously pushing ahead with the revolution and construction even under any complicated and difficult circumstances and, thus, by turning misfortune into fortune and adversity into prosperity.

With the great leader's [yongdoja] scientific elucidation that one of the important contents in embodying the chuche-oriented leadership principle and leadership method in the revolution and construction is to defend the popular masses' demands and interests, to rely on the popular masses, and to struggle by uniting with the popular masses, an ideological and theoretical weapon which makes it possible to strengthen and develop our party into the mother party carrying out the politics of love and trust, that is, the politics of benevolence has been provided.

Daily on Loyalty of People's Army to Leader

SK2411035295 Pyongyang NODONG SINMUN in Korean 25 Oct 95 p 3

[Article by Sung Chae-sun: "The Invincible Revolutionary Armed Forces Defending the Cause of the Party With Arms"]

[FBIS Translated Text] Our People's Army is the Army of the leader [suryong] and of the party forever.

It is the iron faith and will of all officers and men of the People's Army today to defend the cause of the party with arms, even at the risk of their lives, by highly upholding the leadership of the respected and beloved Supreme Commander Comrade Kim Chong-il.

The military parade held some time ago to mark the 50th anniversary of the founding of the Workers Party of Korea [WPK] vigorously displayed the magnificent invincible appearance of our People's Army which absolutely obeys and follows the order of respected and beloved Supreme Commander Comrade Kim Chong-il. The People's Army is firmly prepared to be guns and bombs that defend the comrade supreme commander who is our destiny at the risk of its life.

Since the entire Army is filled with unswerving loyalty to the respected and beloved Supreme Commander General Kim Chong-il, our Army is strong, our party is mighty, and the cause of socialism of our own style is being firmly defended and protected.

The great leader [yongdoja] Comrade Kim Chong-il has pointed out:

Our People's Army unswervingly defends and protects the party and the leader and carries to accomplishment the order and directive of the party to the end, defying fire and water. It is the greatest honor and pride for the party to have the People's Army.

The revolutionary Army is the Army of the leader [suryong] and of the party which came to exist from the basic demand of the revolutionary struggle to defend and protect the cause of the leader [suryong] with arms. The primary mission of the revolutionary Army is to defend and protect the party and the leader.

Aside from loyalty to the party and the leader, one cannot think of existence and the invincible might of the revolutionary Army. Only when the revolutionary Army remains loyal to its leader [suryong], its leader [yongdoja], can it preserve its revolutionary character under any circumstances and fulfill its lofty mission to defend and protect the cause of the leader [suryong].

The revolutionary Army's loyalty to the leader is to appear clearly after the leader passes away. The essential characteristic and indomitability of the revolutionary Army are that it invariably upholds the leader [suryong] during his lifetime or after his death and defends and protects the leader [yongdoja] who is loyal to the cause of the leader [suryong]. As shown by the long history of building revolutionary Armed Forces, the revolutionary Army is to uphold the leadership of the leader [suryong] during his lifetime and to demonstrate the spirit of dedication and loyalty in the revolutionary war and in the struggle to defend the socialist cause. The issue for the revolutionary Army to remain loyal to its leader to the end after the leader has passed away, is an important issue related to its destiny. The historic experience shows that the revolutionary Army which failed to highly uphold the leader [suryong], its founder, and to demonstrate loyalty to him generation after generation, is doomed to collapse, even if it is armed with ultramodern military technology and with enormous armed forces. The strongest Army, which displayed its might and courage in the war against the imperialists, collapsed spiritlessly without being able to fire even a shell of gun, because it failed to uphold the great leader [yongdoja] in the supreme position of the revolutionary Armed Forces and because it failed to firmly inherit loyalty to the leader [suryong]. Indeed, loyalty to the leader [suryong] is the lifeline for the revolutionary Army throughout the entire period of its existence from the past and to the present. Thus, loyalty to the leader is the source of boundless might and vigor that enables one to be ever-victorious all the time.

Our People's Army is displaying the pride of being invincible revolutionary Armed Forces today because it assumes loyalty to the leader [suryong] as its life regardless of whether he is alive or passed away.

The Korean People's Army [KPA] is the Army of the leader which was founded and has been fostered by the great leader Comrade Kim Il-song.

Our Army smashed two strong imperialist enemies after the report of a gun was first heard in the Paektu forest, and traversed along the single road of victory because it held in high esteem the great leader [suryongnim], who was a legendary outstanding commander. The great leader's sacred trace has been engraved both on the road of struggle filled with trial and on the glorious and victorious path our Army has traversed. The immortal achievements made by our Army and the invincible might which our revolutionary Armed Forces have are all closely linked to Comrade Kim Chong-il.

Our People's Army, which the great leader [suryong] personally fostered, is not the Army which deserts a moral sense of obligation toward the leader [suryong] although he passed away and which does not observe the pledge made before the leader. It is the noble ideological and mental traits of all officers and men of the People's Army to hold the great Comrade Kim Il-song in high esteem forever as the everlasting leader of our Army and as our father. They are resolved to fight as the faithful fighters of the leader. What our People's Army absolutely trusts as the spiritual pillar, whether we are pleasant or we are in a difficult situation, is the fatherly leader, and what we assume as the basic guideline in army building and activities is the leader's chuche-oriented military ideas and strategic and tactical line. The banner which our People's Army is upholding in its march forward is the red flag of the revolution which the leader [suryong] carried throughout his lifetime from the time of Down-With-Imperialist Union. The world is not aware of such revolutionary Army as our People's Army which loyally upholds its leader — the founder — for 60-odd years from the time when it declared its birth to date.

The loyalty of the People's Army to the party and to the leader, that has been historically consolidated and developed, is being vigorously demonstrated today in that it holds in high esteem the respected and beloved Supreme Commander Comrade Kim Chong-il.

Loyalty to the leader [suryong] becomes genuine when it is linked to loyalty to the leader [yongdoja] who inherited and is carrying to accomplishment the cause of the leader [suryong].

The respected and beloved Supreme Commander Comrade Kim Chong-il, whom our revolutionary Armed Forces uphold in their highest position, is the ever-victorious iron-willed outstanding commander who has the same ideas, leadership and virtue as the fatherly leader. Officers and men of our People's Army have had great fortune by upholding the great Comrade Kim Chong-il as supreme commander during the fatherly leader's lifetime. All officers and men of the People's Army made a firm pledge before the great leader [suryongnim] to firmly defend and protect the party's cause with arms by following the order of the respected and beloved comrade supreme commander. Their pledge is the pledge of faith and death-defying pledge that absolutely will not change, no matter how many times the world may change. At the grievous time when our people lost the fatherly leader, officers and men of our People's Army firmly kept the pledge they made before the party and the leader, and on this road, today, they are fighting by dedicating their youth and lives.

The loyalty of our People's Army which is safeguarding the respected and beloved [kyongaehanun] Supreme Commander General Kim Chong-il with a do-or-die spirit, is an impregnable faith to plow through any kind of rigorous revolutionary storm by single-heartedly uniting around Comrade Kim Chong-il by fulfilling the great leader's behest, and a firm will to defeat any invader and brilliantly complete the party's cause by fulfilling the general's order to the end. The officers and men of our People's Army are currently living and fighting by highly singing the song of following the dear [chinaehanun] Comrade Kim Chong-il in every step and upholding our supreme commander with arms. This kind of spiritual strength which is overflowing throughout the Army is making our People's Army highly demonstrate the dignity and honor of the leader's [suryong] Army and the Army of the party.

The might of our Army which is resolutely safeguarding and defending the party's cause lies in the fact that more than anything else, the core elements of the revolution who are endlessly loyal to the respected and beloved supreme comrade commander, have been firmly provided.

The character and might of the revolutionary Army is greatly dependent on the core elements of the revolution. If the commanding members of the Army are firmly prepared politically, ideologically, militarily, and technically, the revolutionary Army can firmly adhere to its revolutionary character and achieve a victory by overcoming any kind of wind and waves.

Today, the core elements of the revolution of our People's Army have been firmly prepared. Extending over all branches of arms and services, our People's Army consists of competent military and political cadres who are endlessly loyal to the party and leader [suryong]. This is the best lofty asset which cannot be changed for anything else in strengthening the overall revolutionary Armed Forces and firmly defending the party's cause.

The respected and beloved Supreme Commander Comrade Kim Chong-il had firm faith in the core elements of the People's Army and entrusted them with important guard posts, and the commanding members of our Army are faithfully carrying out the duties of the battle that have been entrusted by the supreme comrade commander.

At a parade recently held to mark the 50th anniversary of the party founding, marshals, vice marshals, and officers and men of the KPA were standing on the rostrum, safeguarding the Supreme Comrade Commander Kim Chong-il. This is a highly dignified and proud picture. This manifested how absolute the authority of our respected and beloved supreme comrade commander is, and how firm the core elements of the revolution of our People's Army upholding the general are.

The core elements of the revolution of our People's Army are revolutionary fighters endlessly loyal to the respected and beloved Supreme Commander CQ?rade Kim Chong-il. Without mentioning the old fighters who struggled by upholding the great leader [suryong] from the days of the anti-Japanese armed struggle, all the commanding cadres who devotedly struggled for the party and leader [suryong] by holding arms in their hands for scores of years called themselves the fighters of the supreme comrade commander, and have absolute faith in and are following the general. The more stars are worn on their shoulders, the heavier their responsibility becomes, and there must be no change in the fighters' attitude. This is an impregnable position of the commanding members of our Army. Regardless of who they are, all the commanding cadres of the People's Army are the people who have grown up in the bosom of the party and leader [suryong]. Fulfilling the duties of a fighter toward the party and leader [suryong] that fostered and put them in the forefront, is a lofty trait of the commanding members of our Army. The military and political cadres of our People's Army absolutely admire only the respected and beloved supreme comrade commander, regard the general's ideology and will as the single lifeline, thus, they think and act according to them. Therefore, the core elements of the revolution of our revolutionary Armed Forces are steadfast and firm that do not waver the slightest by any wind and waves.

Commanding members are the backbone of our People's Army. They are resolute revolutionaries who have tided over high water and steep cliffs carrying out the revolution for a long time following the party and leader [suryong]. The commanding members of our Army accumulated rich experience from the two revolutionary wars, and from winning the fierce war without gun shells. The second generation of the revolution, who are trained and tested in the struggle to model the entire Army after chuche, are carrying out key roles in the People's Army, making our Army powerful. As long as we have the backbone, the People's Army can maintain its revolutionary color and fight on vigorously.

Our Army, which is resolutely defending and safeguarding the party's cause, is strong because the entire Army is filled with the spirit of being guns and rifles to defend with life the respected and beloved [kyongaehanun] Supreme Commander General Kim Chong-il.

The strength of the revolutionary Army is the political and ideological strength. The strength is guaranteed by the ideology of the soldier masses, who uphold their supreme commander. Confrontation with the enemy is not only the confrontation of arms, but also the confrontation of ideology. Fighters carrying rifles must have a strong ideology to fight and defeat any strong enemy, and to resolutely defend the party's cause.

The revolutionary spirit that should be borne by the revolutionary Army is the spirit to defend their leader [yongdoja], the supreme commander, with their lives. The revolutionary Army carries rifles under the objective to defend the head of the revolution. The most valuable life of the fighters shines in the struggle to defend the leader [yongdoja]. There is no task more sacred for the revolutionary Army than to resolutely defend and safeguard the leader.

Today, our officers and men of the People's Army is fighting with the slogan "Let us become rifles and guns to defend the respected and beloved [kyongaehanun] comrade supreme commander with our lives!" The slogan reflects the faith and will, as well as the struggle and life motto of the fighters of the respected and beloved comrade supreme commander. The spirit of rifles and guns filling the entire Army is a determination to lay down their lives to defend the respected and beloved comrade supreme commander, and an impregnable spirit to keep the oath taken before the general even though they would die for billions of times. Because they are armed with such a revolutionary spirit, there are many heroes in our People's Army like Comrade Han Yong-chol, who threw his body to cover an exploding hand grenade to protect the portraits of the great leader [suryong] and the respected and beloved Comrade Kim Chong-il.

At the end of last year, the People's Army shot down with a single shot an enemy plane that infiltrated into our sky. This shows that the death-defying determination of the People's Army to defend the leader [suryong], the party, and the fatherland is not empty words. History records many feats of revolutionary armies that defended their leaders [suryong], but there has been no faithful revolutionary Army like our People's Army that protects the party and the leader [suryong] with life.

Defending the leader [suryong] and the leader [yongdoja] with life is a proud tradition of our Army. It was our Army that protected the security of the respected and beloved [kyongaehanun] comrade general from the enemy's bullets with their bodies, uplifting the slogan "Let us defend with our lives the headquarters of the revolution!" During the fierce fatherland liberation war, it was the People's Army fighters who put out the enemy's flame with burning hearts, shouting the slogan "For the party and the respected and beloved leader [suryong]!" During the arduous post-war days, when antiparty and antirevolutionary factions and elements challenged the party, it was our People's Army that defended the great leader [widaehan suryong] under the slogan "Let us defend with our lives the party Central Committee headed by the respected and beloved Comrade Kim Il-song!" It is a proud fact that the People's Army is displaying the tradition with the spirit of rifles and guns on the road upholding the respected and beloved Supreme Commander Comrade Kim Chong-il.

The faith of officers and men of our People's Army to absolutely trust and resolutely defend the respected and beloved Supreme Commander General Kim Chong-il is further burning with each passing day. If they face a formidable, decisive battle, all officers and men of our People's Army will become fortresses and shields to defend the comrade supreme commander and fight, devoting their lives, and shouting "Long live General Kim Chong-il."

There is no one in the world who can match the invincible might of our People's Army which is firmly armed with such an indomitable revolutionary spirit, the spirit of guns and bombs.

The might of our People's Army which is resolutely safeguarding and defending the party's cause lies in the fact that the revolutionary military ethos in which the entire Army unanimously moves according to the supreme commander's order has been firmly established in the Army.

The revolutionary military ethos is the important appearance of a revolutionary Army and the source of its combat capability. The military ethos is the life of the military which moves according to the military order [myongnyong] and system [chilso]. The Army in which the military ethos is not established cannot achieve a victory in battles with the enemy.

The military ethos established in our People's Army today is most mighty and is a revolutionary ethos. It is in essence an ethos of absolutely obeying the respected and beloved Supreme Commander Comrade Kim Chong-il's order. It is also an ethos in which the entire Army unanimously moves according to the supreme commander's order and an ethos of the absoluteness and unconditionality of implementing the supreme commander's order to the end.

The supreme commander's ideology, intention, order, and directive are infiltrated into companies, platoons, and squads timely, rapidly, and accurately, and the entire Army, ranging from general officers to enlisted men, unanimously moves according to one ideology and one order. This is precisely the aspect of our Army in which a revolutionary military ethos has been firmly established.

Upholding the slogan, "When the party decides, we will do," today, the soldiers of our People's Army are unconditionally implementing the supreme commander's order and directive, devoting their lives and energies, while regarding the order and directive as a vital demand.

It is precisely our Army which created the miracle of completing the construction of Chongnyu Bridge and Kumnung No. 2 Tunnel in a short period of time by following the supreme commander's order. It is also precisely our Army which demonstrated its might of one-a- match-for-100 by outstandingly constructing Pyongyang-Hyangsan road as a great monumental creator of the era of the Workers Party. Thus, our People's Army is the most loyal revolutionary Army which has implemented the supreme commander's order to the end.

The iron-like revolutionary military ethos in our People's Army is established not merely by order and system. It is a voluntary military ethos based on the enthusiastic loyalty and high ideological determination to absolutely trust only the Supreme Commander General Kim Chong-il and to devotedly uphold the general's leadership. It is also a revolutionary military ethos based on the firm faith that when one follows only the comrade supreme commander's instruction, one can be victorious without fail. Because of this, our People's Army has become a most pure force which is seething with the ideology and intention of the party and the leader and a powerful and mighty combat force in which the entire Army rises up in response to the supreme commander's order.

Because of the existence of the People's Army which bravely breaks through mountains and rivers in response to the call of the party and the leader [suryong], the defense line of our country has been firmly defended, and its socialist construction, as well, has been victoriously carried out.

The might of our Army which is defending the party's cause also lies in the fact that the laudable custom of the unity between the Army and the people is fully flourishing in our country today. The source of a revolutionary Army's strength is the people's support and encouragement. Therefore, without the popular masses' support and encouragement, our revolutionary Army cannot smoothly carry out its honorable mission of defending the party's cause. Unity between the Army and the people is traditionally a laudable custom of our revolutionary Army and a decisive guarantee for its victory.

Our People's Army has won its fame as true People's Army which thoroughly implements the idea of unity between the Army and the people put forward by the respected and beloved Supreme Commander Comrade

Kim Chong-il. Our party's idea on unity between the Army and the people is an independent idea for military construction. The idea is to strengthen the revolutionary Armed Forces in every way based on the fact that the revolutionary Army firmly relies on the people and the people positively supports the revolutionary Army, and is to defeat the imperialist aggressive forces by singleheartedly uniting the people and the Army. Such a great idea is now brilliantly embodied in our country as it reflects the invariable aspiration and demand of the entire officers and soldiers of the People's Army and the people.

On the road of upholding the respected and beloved comrade supreme commander, our People's Army and the people are all alike revolutionary fighters and revolutionary comrades who are all in the same boat. The volition to consummate to the end the revolutionary cause pioneered by the fatherly leader by upholding the respected and beloved general burns in the hearts of our Army and the people. As for our People's Army, the people are their own flesh and blood and, as for the people, the Army is the true Army of the people.

The officers and soldiers of our People's Army have unhesitatingly jumped into the water and fire if it is for the protection of the people's property and lives. Not long ago, when the areas of Sinuiju were hit by flooding, the officers and soldiers of the People's Army devoted their all to save the lives and properties of the people by upholding the respected and beloved comrade supreme commander's order. This is a vivid picture which shows a lofty feature of our Army which serves for the people. That is why our people love the People's Army as their own children and support them both materially and morally.

Originally, the virtue of unity between the Army and the people is a traditional virtue of our Army which has been highly displayed from the period of anti-Japanese revolutionary struggle. However, the virtue of unity between the Army and the people has fully bloomed to a new and higher level which has been never known in our country's history, because we uphold the respected and beloved Supreme Commander General Kim Chong-il. The relations between our Army and the people who uphold the idea on unity between the Army and the people are the ideological and volitional relations based on the boundless loyalty toward the great leader [yongdoja] as well as the relations of singlehearted relations which completes to the end the revolutionary cause and tides over any stern trials. Because the traditional virtue of Army-civilian unity has been highly displayed, the fighting morale of our People's Army has been heightened more than ever before and the singlehearted unity of the party, the Army, and the people has been firmly consolidated.

Today, our People's Army has become indomitable revolutionary Armed Forces that resolutely defend and protect the party's cause with gun stocks. This is based on the fact that the respected and beloved [kyongaehanun] Comrade Kim Chong-il has been upheld as the supreme commander of the Korean People's Army.

The power and invincibility of the revolutionary Army lies in the greatness of the leader [yongdoja] and the greatness of the supreme commander. When the revolutionary Army upholds a distinguished commander and prominent leader [yongdoja] as the supreme commander, it can be equipped with the high ideological and spiritual feature and can endlessly strengthen and develop itself. The boundless loyalty to resolutely defend and safeguard, and to absolutely believe in their leader [yongdoja] and their supreme commander will spring up when the officers and soldiers are fascinated by the supreme commander and entrust their destinies to him.

Officers and men of our People's Army unanimously say that they are being blessed with the general, the supreme commander. They feel that it is their infinite honor to become the respected and beloved General Kim Chong-il's fighters. Reflected in this are the great dignity and honor of officers and men of the People's Army who are upholding the respected and beloved Comrade Kim Chong-il, who is similar to the fatherly leader [suryong], as the supreme commander.

The respected and beloved Comrade Kim Chong-il is a general who possesses far-sighted military wisdom, matchless courage, and outstanding military leadership ability. The respected and beloved Comrade Kim Chong-il is an extraordinary military strategist who has elucidated the road ahead for the building of the revolutionary Armed Forces by presenting outstanding strategies and tactics at all times. He is also an iron-like commander who smashes any powerful enemies at once with his matchless courage and iron-like will. This is why officers and men of our People's Army and the people praise and call the comrade supreme commander "general of Mt. Paektu" and are filled with the faith in certain victory and optimism that they are always victorious because the general is with them.

The respected and beloved Supreme Commander Comrade Kim Chong- il's trust and love toward officers and men of our People's Army are deepening with each passing day.

The great leader [yongdoja] Comrade Kim Chong-il, who has been interested in the building of the revolutionary Armed Forces by presenting the classical proposition that party building is precisely army building, is constantly visiting our People's Army fighters even today to give a guidance to them on the spot. It was precisely the respected and beloved comrade Supreme Commander who spent the New Year of this year together with the soldiers of the People's Army. It was also the great general who personally visited our soldiers' frontline outposts and bestowed strength and courage upon the soldiers. It was also our supreme commander who willingly saw our soldiers' humble art performance and who sent cold cream to soldiers for their chilblained face.

There has been no such an example in the world in which a supreme commander led his soldiers with love and trust. This is why officers and men of our People's Army call the bosom of the respected and beloved Supreme Commander Comrade Kim Chong-il the benevolent father's bosom and are filled with the burning determination to fight for the general, devoting their young lives.

The firm faith and will of officers and men of our People's Army to resolutely defend the party and the leader [suryong] are the clean and noble ideological feeling stemmed from their deep understanding of the greatness of Comrade Kim Chong-il. This spirit is highly enhanced on the basis of the blood ties forged between the supreme commander and soldiers. Therefore, it is indeed a pure and noble spirit and a might which can break through any storm.

Our People's Army has become an invincible revolutionary Armed Forces. This is because the supreme commander Comrade Kim Chong-il — who is being upheld on the top of our revolutionary Armed Forces — is great and there are the faithful soldiers who absolutely trust and resolutely defend the comrade supreme commander.

Our party's cause is the cause of justice, and our People's Army is the army of justice which defends the party's cause. In our country, the party and the Army are a firmly united body. Our party is mighty because there is such faithful revolutionary Armed Forces as our People's Army. Our Army is strong because there are such a revolutionary party as the Workers Party of Korea [WPK] and because the Army is blessed with the party's leadership. Our People's Army, as the party's army, is fighting under the banner of the WPK, the red flag of the revolution.

Our People's Army is the glorious revolutionary Armed Forces which the great leader [suryong] fostered, devoting his whole life, and which has fought its way through the storm of the revolution under the respected and beloved Comrade Kim Chong-il's leadership. It is also the outstanding Army which possesses a noble militant and moral ethos in the bosom of the party and the leader [suryong].

Our party firmly trusts the People's Army which is loyal to the party and the leader [suryong]. Our party is also leading the revolution and construction to victory under any difficulty circumstances on the strength of the matchless loyalty and heroic spirit of our People's Army.

The loyalty of the People's Army in upholding the party and the leader [suryong] is the source of our party's invincible strength.

Our revolutionary cause is ever-victorious and invincible because the respected and beloved Supreme Commander Comrade Kim Chong-il is with us, because there is the strong and mighty WPK, and because there is the People's Army which is infinitely loyal to the party and the leader [suryong].

Our People's Army will firmly unite around the respected and beloved Supreme Commander Comrade Kim Chong-il and vigorously fight, upholding the red flag of the revolution. On this road, it will expedite the historic cause of national reunification and the final victory of our revolution.

South Korea

Police Arrest U.S. Soldier in Uijongbu 25 Nov

SK2611022995 Seoul TONG-A ILBO in Korean 26 Nov 95 p 30

[Report from Uijongbu]

[FBIS Translated Text] On 25 November, the Uijongbu Police Station in Kyonggi Province arrested PFC Theodore Hinojosa [name as published], 20 years old, from the 2nd U.S. Infantry Division stationed in the ROK, for violating the law on violence and punishment. The police then turned him over to the U.S. Military Police [MP]. PFC Hinojosa is suspected of having damaged the car of a resident while in a drunken state and of beating a resident who tried to stop him.

According to the police, PFC Hinojosa, while in a drunken state, removed a windshield wiper from a Tico parked on the road behind the Crown Club in Posandong, Tongduchon, at 0230 in the morning on 25 [November 1730 GMT 24 November]. Cho Ae-son (56, Saengyondong, Tongduchon), seeing this while on his way home, tried to dissuade PFC Hinojosa from doing this. He was beaten by PFC Hinojosa with the wiper, suffering injuries.

Seoul Withholds Complaint Against U.S. Paper

SK2511032795 Seoul YONHAP in English 0309 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — The South Korean Government on Saturday held back temporarily its plan to file complaint against the American newspaper WALL STREET JOURNAL for the economic daily's recent article allegedly defaming senior government officials.

The government withheld the plan after an official of the financial newspaper called the Information Ministry and gave an apology for the troubles caused by the article.

"The WALL STREET JOURNAL expressed an intention to apologize by phone, but we asked the newspaper to issue a written apology," said Ko Pu-an, the ministry's public information officer. He added that his department decided to put off submitting the complaint until it receives and sees the written apology.

Earlier in the day, Seoul was about to file its grievance with the Seoul District Prosecutor's Office against the JOURNAL's president-publisher and its Seoul correspondent Steve Glain, who wrote the article, in the name of Information Minister and Government Spokesman Oh In-hwan.

Having appeared in the financial paper's Nov. 22 Asian edition and Nov. 21 U.S. edition, Glain's story said that major business groups give "each cabinet minister ttok kab,' or rice cake expenses,' of between 5 million won and 15 million won to mark the three major holidays of the year — the autumn harvest festival, Christmas and Lunar New Year. Top government officials often clear up to a billion won each."

Decides To Cancel Complaint

SK2711064995 Seoul YONHAP in English 0640 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — The South Korean Government decided Monday to cancel its plan to file a complaint against THE WALL STREET JOURNAL (WSJ), as a result of the economic daily's Monday issue carrying a correction on its recent article that claimed South Korean Government officials receive holiday payments from business leaders.

Revealing the decision Monday, Vice Information Minister Yu Se- chun said, "The government has decided to accept the apology and correction after having concluded that they were adequate and complete."

In their American and Asian Monday editions, WSJ wrote that it had printed an article in earlier editions reporting that "in light of traditional payments of ttok kab,' or rice cake expenses, the Korean business community expects to offer holiday payments to cabinet ministers and government officials this year."

Under the heading of "Corrections & Amplifications," the paper said, "According to a statement by a Korean Government spokesman, President Kim Yong-sam has not accepted even a single won from business leaders, as he had promised the nation, and the entire cabinet has been unequivocally supporting President Kim's firm resolve by faithfully following suit.'"

It added, "The article has been read to imply that Korean ministers and officials will in fact accept such holiday payments," it added, "The journal did not intend to make such an allegation and regrets any such inference."

Having appeared in the economic paper's Nov. 22 Asian edition and Nov. 21 U.S. edition, WSJ Seoul correspondent Steve Glain wrote a story saying that major business groups give "each cabinet minister ttok kab,' or rice cake expenses,' of between 5 million won and 15 million won to mark the three major holidays of the year — the autumn harvest festival, Christmas and Lunar New Year. Top government officials often clear up to a billion won each."

'Irresponsible' U.S. Newspaper Report Viewed

SK2611040895 Seoul SEOUL SINMUN in Korean 25 Nov 95 p 3

[Editorial: "An Irresponsible Report on the ROK by Foreign Media"]

[FBIS Translated Text] The government is showing a resolute attitude in dealing with THE WALL STREET JOURNAL's distorted report about the ROK. This is a matter of course. The reporter who wrote the article still claims he has "proof" and refuses to apologize or issue a correction. In that case, we should seek legal action.

What makes the report malicious is it was written as if it quoted ROK businessmen and chaebols. The quoted Koreans reportedly informed the paper of how much rice cake money they had handed to public officials, stating any minister can amass a fortune in a year. The article even provided "concrete" dates and means by which the money was handed over. It would be derelict duty for the audit and inspection authorities to overlook the report.

If the reporter wrote this report based on rumor instead of fact, both the reporter and the publication should be held responsible. Audit and inspection authorities should make a point of this. It would be even more intolerable if the reporter wrote this irresponsible report thinking he could write anything about the ROK following the No

Tae-u secret fund scandal. The ROK is now able to try a former president for his past irregularities. This would be impossible without the commitment and ability of the country and society.

A journalist with such a poor understanding and judgment of his country of posting, and who bears malice toward that country, must have abominable professional ethics. If the ROK Government does not question the publication and the reporter, we will have to doubt the government's stern will to liquidate irregularities and corruption.

Many public officials went through screenings during the reform program, willingly submitting themselves to strict probes. They are still healing their wounds from the No Tae-u scandal. During such a time, a report denying the basic morality of the civilian government strikes a blow to people living in the era of the global village. This must be verified without fail, and taking this opportunity, we should change the thinking of foreign reporters that they can write anything about the ROK.

Military on Alert To Counter North 'Misjudgment'

SK2511091895 Seoul YONHAP in English 0900 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — The Defense Ministry on Saturday issued an official comment that President Kim Yong-sam's Friday directive to legislate a "May 18 special law" will serve as a momentum to retrieve the honor of the military.

"We Army will let our mind take a new turn, and commit ourselves to guard the nation based on people's reliance, while cleansing an unhappy era caused by a few politics-oriented military officers in the past," the comment emphasized.

The army has been doing only its basic duty without no relations with politics since the current government was launched, Defense Minister Yi Yang-ho said, adding that it will continue to be faithful to its obligation only.

Minister Yi said that the armed forces are now put on alertness against North Korea since there is a concern that North might make a misjudgment by regarding the south's current situation, featuring former president No Tae-u's slush fund scandal and President Kim Yong-sam's order to enact the May 18 special law, as a political instability.

DPRK Receives Rice From International Groups

SK2611042695 Seoul YONHAP in English 0413 GMT 26 Nov 95

[FBIS Transcribed Text] Tokyo, Nov. 26 (YONHAP) — North Korea Friday [24 November] received 6,540 tons of rice from the United Nations and nongovernmental organizations [NGO] around the world in aid for the North to cope with the food shortage caused by last summer's severe floods, North Korea's CENTRAL NEWS AGENCY (KCNA) said Sunday.

KCNA, monitored in Tokyo, said that the rice, sent by the UN World Food Program (WFP) and NGOs, arrived in Nampo Port Friday to help North Koreans who are suffering from severe food shortage.

The 5,140 tons of rice sent by WFP is the first batch of shipment promised by the UN WFP pledged last September to provide 8.85 million dollars of daily necessities to the North.

DPRK Said Meeting 42 Percent of Grain Needs

SK2511042995 Seoul THE KOREA HERALD in English 25 Nov 95 p 8

[FBIS Transcribed Text] North Korea's 1995 grain output is meeting only 42 percent of the total demand, and the supplies are seen hitting rock bottom by next March, projected a government agricultural researcher.

Kim Un-kun, a North Korea specialist at the Korea Rural Economic Institute, said in a paper released Wednesday [22 November] the North's 1995 grain shortage is about 3.6 million tons.

He pegged this year's output including rice and corn at 2.6 million tons, against the need of 6.2 million tons. "The North's chronic food shortage has been made worse by the flood last summer," he said at a seminar where he presented the paper.

The 2.6-million-ton output marks a 37-percent slide from the 1994 production figure of some 4.1 million tons.

Rice production amounted to 761,000 tons, nearly halved from last year's output of 1.3 million tons. Corn, a common staple in North Korea, added up to 1.4 million tons, or 40 percent less than last year's production, as estimated by Kim.

Speaking to The Korea Herald yesterday, Kim said although the food shortage may have reached a serious level, Pyongyang has previously been through worse times. The year 1993 was even worse, he pointed out.

For the current 1995-1996 grain production year, he projected, "I see the North's food shortage peaking around next March." Kim also hinted Pyongyang is likely to step up its diplomatic efforts to procure food supplies from overseas.

This year, Pyongyang has already been on the move to secure rice from overseas. By an optimistic outlook, Pyongyang will have received an overseas shipment of up to 1 million tons of rice by the end of the year, according to Kim.

The amount includes a 150,000-ton rice aid from Seoul, a 600,000- ton rice aid from Japan, of which 400,000 tons has been shipped. Seoul completed the shipment in late October.

Pyongyang is also said to be negotiating for an additional 500,000 tons with Thailand, Kim said.

However, uncertainty level is high on the Thai shipment, he said. "The negotiations are said to be running into problems, as Pyongyang may be looking to barter the rice, rather than paying money."

Thailand Suspends Rice Shipments to DPRK

SK2611084395 Seoul YONHAP in English
0725 GMT 26 Nov 95

[FBIS Transcribed Text] Bangkok, Nov. 26 (YONHAP) — Thailand recently suspended shipment of rice to North Korea as the North failed to pay for the shipment of 100,000 tons of rice to the North two years ago, a Thai Government source said Sunday.

As of the end of September, the Thai Government has shipped to the North 162,000 tons of rice out of the total 300,000 tons, which the Bangkok government agreed last February to ship to the North by year-end, according to the source.

The Bangkok government, however, decided not to proceed with any further shipment of rice to the North because the North has yet to settle accounts for 23 million U.S. dollars worth of 100,000 tons of rice which the North imported from Thailand two years ago, the source said.

In a rice purchase contract between Thailand and North Korea last February, North Korea promised to settle the 23-million-dollar bill on an installment basis.

The North, however, has paid just part of the amount, he said.

North Korea recently demanded the Bangkok government ship to the North additional 500,000 tons of rice, but analysts predict that the additional shipment will not be possible because of the North's insolvency.

Media Advertisement of Reunification Plan Begins

SK2511031895 Seoul HANGYORE SINMUN
in Korean 23 Nov 95 p 4

[Article by reporter Yi Sang-ki]

[FBIS Translated Text] It is Munsan Station in Kyonggi Province where the Kyongui [Seoul-Sinuiju] railway line is cut off. A locomotive grinds to a halt, and the engine driver in his late fifties and the co-driver who is in his early-thirties, get off of the train.

"Today's work was demanding, wasn't it?"

"No, you've put in a lot of work today"

Facing the public information notice that the trains stop here with a sign that reads, "The Locomotive Wants To Run," the engine driver says to himself, "I am to retire soon, but the rusty railway remains severed. I hope reunification will be achieved soon so that I can drive towards the North vigorously as I once used to."

This is a scene from the "Reunification Campaign" which the National Unification Board [NUB] broadcast on Munhwa television station. The government now uses advertisments in a full-fledged manner in publicizing reunification policy. It is also proof of the heightened national interest in reunification.

The NUB completed the reunification policy advertisement entitled, "The Locomotive Wants To Run" early in November, and has shown this reunification campaign advertisement two to three times a day since 18 November. Each advertisement is 42 seconds long.

The advertisement carries a monologue towards the end, which says: "Reunification should be achieved through the employment of the Korean National Commonwealth through which the people of the North and the South can cooperate to lead happy lives." The advertisement also shows the steps to achieve reunification, namely, reconciliation and cooperation, North-South alliance, and the completion of a unified state, thus maximizing the advertising effect on the government's Korean National Commonwealth reunification formula.

The NUB is planning to produce 60 advertisements, each costing 2 million won, till the end of this year with the sponsorship of the Korean Horse Affairs Association.

The NUB is planning to actively publicize the government's reunification policy through various media, such as radio and database as well as television, beginning next year.

Deaths of Prominent DPRK Figures in 1995 Noted

SK2411123195 Seoul YONHAP in English 0836 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — Thirteen high- level figures of North Korea passed away this year, an official Pyongyang watcher here said Friday.

The 13 senior North Korean officials who have passed away this year comprise three Workers' Party cadres, three military officers, two artists, two ambassadors and three others, Naewoe Press reported.

Having died of lung cancer in February, O Chin-u, the late People's Armed Forces minister, was the highest ranking official among them, the survey said.

Two other recently-deceased military men were O's Vice Minister Kim Pong-yul and Gen. Son Chong-chun, according to the source.

Paek Pom-su, a member of the Central People's Committee, Kim Se- yong, minister of natural resources development were also on the death roll.

Kim Hyong-yul and Kim Ki-chan, North Korean ambassadors to Cambodia and Senegal, respectively, died in January and August.

Among the rest included artists Pak Min and Kim Son-yong.

Defense Ministry Supports 18 May Special Law

SK2711001795 Seoul THE KOREA TIMES in English 27 Nov 95 p 3

[FBIS Transcribed Text] The Defense Ministry has lauded President Kim Yong-sam's instruction to draft a special May 18, 1980 bill to restore the honor of the innocent members of the Armed Forces devoted to national defense who has been defiled by a small number of politically oriented officers who masterminded the bloody crackdown on the popular uprising 15 years ago.

In an official comment Saturday, ministry spokesman Yun Chang-no said, "All members of the Armed Forces have come under fire for an act committed by a small number of politically oriented officers."

He said that the envisioned law will clear the Armed Forces of this yoke and enable it to continue serving the country with devotion and pride by straightening out any misunderstandings the public might have about it.

Meanwhile, the ministry said that there are nine officers still on active duty who were involved in the military suppression of the May 18 Kwangju uprising. The most prominent is Gen. Kim Tong-chin, chairman of the Joint Chiefs of Staff, who participated in the crackdown as commander of the 61st Regiment of the Army's 20th Division.

The remaining eight include four Army major generals: Yu Hyo-il, director of the Mobilization Bureau of the Defense Ministry; Yi Chong-kyu, superintendent of the Army Infantry School; Kim Yong- chol, deputy commander of the 2nd Corps; and Chong Yong-chin, deputy chief of staff for intelligence and operations at Army Headquarters.

Kim Yong-sam Decision on Special Law Lauded

SK2511143995

[FBIS Editorial Report] Local vernacular dailies on 25 November carry editorials reacting to President Kim Yong-sam's 24 November directive to the Ruling Democratic Liberal Party [DLP] to take necessary steps so that a special law on the 18 May 1980 incident may be legislated in the current regular National Assembly session.

The moderate TONG-A ILBO carries on page 3 a 1,000-word editorial titled "The Decision To Enact the 18 May Special Law." The editorial begins by saying: "We highly appraise President Kim Yong- sam's directive to the DLP for the 18 May special law to be legislated in the current National Assembly session. This is an epochal decision President Kim made to destroy at one stroke the yoke under which our people had to suffer because of the 12 December 1979 military mutiny and the ensuing 18 May 1980 Kwangju incident, both of which lie in the way of our liquidating the past and moving toward the future." The editorial notes the paper's repetitive assertions that the constitutional court should make a ruling on the unconstitutionality of the prosecution's decision not to indict the culprits of the Kwangju massacre and that a special law be enacted to enable the judicial authorities to prosecute those who committed the 18 May incident. The editorial stresses that the special law to be enacted should include provisions for thorough investigation and punishment of the assaulters in the 18 May incident, suspension of the prohibition against prosecutions during the periods when Chon Tu-hwan and No Tae-u were presidents, ensuring of the neutrality and independence of the prosecuting institution, and restoration of the honor of the victims of the 18 May incident. The editorial concludes: "If the 18 May special law is enacted through agreement between the ruling and opposition parties, the tragedy of a hopeless 18 May will not be left in the hands of future historians but will be clearly liquidated with the judicial judgment of our times so that we can restore our national spirit."

The moderate CHUNGANG ILBO carries on page 4 a 900-word editorial titled "The Inevitability of the 18 May Special Law." The editorial notes the inevitability of the enactment of the special law, and recalls the paper's disapproval and the majority of the people's disappointment and indignation at the prosecution authorities' decision last July that they did not have the authority to indict. The editorial calls for thorough exposure of the details of the 18 May incident and the seizure of power by those who committed the military coup, and concludes: "We should leave a lesson that the suspension of the constitutional government by force will be met with the stern judgment of the people."

The moderate KYONGHYANG SINMUN carries on page 3 a 900-word editorial titled "The Significance of the Enactment of the 18 May Special Law." The editorial begins by saying: "The DLP made a radical change in its policy by deciding to enact the 18 May special law, and this seems to be prompted by President Kim Yong-sam's will to cope with the crisis complicated by Mr. No Tae-u's slush fund scandal with a headlong breakthrough." The editorial then stresses: "The 18 May special law should provide a turning point to prevent the recurrence of the humiliating history of power being seized by force."

The pro-government SEOUL SINMUN carries on page 3 a 900-word editorial titled: "The President's Decision on the 18 May Special Law." The editorial welcomes President Kim's decision and says: "The 18 May incident was an act of trampling down the country's Constitution in which the new military clique which seized power by force repressed the Kwangju democratization movement atrociously," and adds, "President Kim decided to enact a special law to clarify the truth because without clarification of the truth of the 18 May incident, the reconciliation and development of our society will hardly be achievable, and it is President Kim's expression of his will that the historical truth must be brought to light."

The moderate HANGUK ILBO carries on page 3 a 1,000-word editorial titled "The Enactment of the 18 May Special Law." The editorial begins by saying: "Because President Kim Yong-sam decided on 24 November to accede to the persistent demand of the opposition camp for enactment of an 18 May special law, the major political controversy is to be resolved. This seems to be part of President Kim's measures for innovation taking advantage of the atmosphere in the wake of Mr. No Tae-u's arrest and in conjunction with the renaming of the DLP." The editorial then notes: "In connection with acceleration of the reform and innovation movement, people are focusing their attention on how President Kim will treat the politicians with a Fifth and Sixth Republic heritage who entered politics through the coup d'etat."

The left-leaning HANGYORE SINMUN carries on page 3 a 1,000-word editorial titled "Welcome the Enactment of the 18 May Special Law." The editorial welcomes President Kim's decision and notes: "Some interpret President Kim's decision to accede to the national demand for enactment of an 18 May special law as shock therapy to bring a breakthrough in the political crisis resulting from Mr. No Tae-u's slush fund scandal. However, more important than this interpretation is whether President Kim has the will to push ahead with his decision to the end." The editorial then urges all political parties, both the ruling and the opposition camps, to draft one special law through discussion between them.

The conservative CHOSON ILBO carries on page 3 a 2,000-word editorial titled "The 18 May Card." The editorial notes President Kim made the decision on the special law to bring a headlong breakthrough to overcome the difficult political situation resulting from No Tae-u's secret fund and to win in the upcoming election of National Assemblymen by weakening opposition parties' platforms. The editorial anticipates President Kim's next card will be the disclosure of the 1992 presidential election funds, and notes: "By acceding to the demands for enactment of an 18 May special law, President Kim has committed himself to the road of following the reverse process of the three-party merger by severing ties with the old forces," and observes, "In the meantime, President Kim's decision is seen as quite a gamble. Among other things, he could meet with considerable resentment from conservative forces, including vested interest groups and the military."

Only Kwangju 'Key Players' To Be Prosecuted

SK2511063895 Seoul YONHAP in English
0629 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — The ruling camp has decided that punishments to be meted out under a proposed "May 18 Special Law" shall be limited to key masterminds of the May 17, 1980, coup d'etat and the brutal suppression of the Kwangju democratization movement.

The legislation of the special law does not mean that the ruling camp will disassociate itself from persons having served as public officials under Chon Tu-hwan's Fifth Republic and No Tae-u's Sixth Republic.

Such positions were given by President Kim Yong-sam in his meeting with chairman Kim Yun-hwan of the ruling Democratic Liberal Party (DLP) Saturday morning, DLP Spokesman Son Hak-kyu told reporters.

"The May 18 statute is designed to correct wrong political practices such as coup d'etat, corruption and irregularities," President Kim was quoted by Son as saying.

The chief executive said the political meaning of the special law is to sever relations with the May 17 coup d'etat and May 18 bloody military suppression of the Kwangju uprising.

"Accordingly, it does not mean the severing of ties with those figures who served under the Fifth and Sixth Republics and are joining the incumbent civilian government," Kim said.

He went on to say, "Many of the people who served for the two republics have made contributions to our social development and are providing an important basis for (our) politics. No one but key players in the coup d'etat and massacre will be subject to punishment under the law."

Indictments Regarding Kwangju 'Appear Imminent'

SK2511030695 Seoul YONHAP in English 0145 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — Legal actions against former Presidents Chon Tu-hwan and No Tae-u as well as others who were involved in the military clampdown of the Kwangju democratization movement on May 18, 1980, appear imminent in the wake of President Kim Yong-sam's instruction Friday to legislate a special law probing into the suppression.

Fifty-eight persons, including Chon and No, had been questioned during the prosecution's earlier probe of the incident under complaints filed by organizations related to the May 18 uprising.

Of them, eight are still serving in the military. Among them are Gen. Kim Tong-chin, chairman of the Joint Chiefs of Staff, Maj. Gen. Yu Hyo-il, director-general of the Defense Ministry Mobilization Bureau, Maj. Gen. Yi Chong-kyu, superintendent of Army Infantry School, and Maj. Gen. Kil Yong-chol, a deputy corps commander.

Four others are Brig. Gen. Yim Su-won, head of the Military History Research Office at Army Headquarters, Brig. Gen. Kim Hyong- kon, brigade commander, and Brig. Gen. Kwon Song-man and Col. Kim Kil-su, both student at the National Defense College.

In the event that the Constitutional Court overrules the earlier decision by the prosecution not to indict those involved in the bloody suppression, let alone the legislation of the special law, those active army officers are likely to be discharged from service.

Other defendants have occupied key posts under the Fifth and Sixth Republics as cabinet ministers and presidents of state-run enterprises, with many of them still holding public posts.

Six of them, Chong Ho-yong, Pak Chun-pyong, So Chong-hwa, Ho Hwa- pyong, Ho Sam-su and Yu Hak-song, are currently legislators.

Court Seen Following Politicians' Lead on Kwangju

SK2511141695 Seoul CHUNGANG ILBO in Korean 25 Nov 95 p 7

[Report by Yi Ha-kyong: "Special Law and Constitutional Court Examination"]

[FBIS Translated Text] With the Democratic Liberal Party [DLP] announcement of its policy to enact a special law on the 18 May Kwangju incident, the Constitutional Court is enveloped in an unusual atmosphere.

The judiciary — led by Chief Judge Kim Mun-hui and facing the seventh round plenary conference slated for 27 November to discuss the case of a petition against the prosecution disposition not to institute a public action against the 18 May Kwangju incident — is reportedly in "serious agony."

The greatest point of dispute in this issue concerns "the feasibility of punishing a successful rebellion."

It has been learned that most of the judges have been unable to draw a conclusion, standing between the prosecution logic that "the successful coup d'etat cannot be subject to judicial review" and public opinion that "if the masterminds of the 18 May Kwangju incident are not punished, the same behavior will be repeated."

There has been no similar precedent in the United States, Germany, France and other advanced nations for this case, and as for the case in Argentina, only repression of civilians after inauguration of the regime was subject to court trial, unlike the situation of the 18 May incident in the ROK.

This being the case, the judiciary in the Constitutional Court is even bearing the burden of having to set its own precedent.

Some judges have even reviewed the secret histories of court judgments made in foreign countries, thus taking pains and spending sleepless nights studying similar relevant cases.

Legal circles in the ROK assess that the second-term judiciary led by Kim Yong-chun, president of the Court, is more conservative than the first-term judiciary, and thus the possibility of the Constitutional Court accepting the petition and agreeing to reinvestigate the 18 May incident has been very slim.

Earlier, on 20 January, the second-term judiciary turned down by a vote of 7 to 2 the petition claiming that the prosecution's disposition not to institute a public act against the masterminds of the 12 December military rebellion was unjust. This demonstrates the "color" of the present judiciary.

The two in the minority were Judges Cho Sung-hyong and Ko Chung- sok.

However, since former President No Tae-u, one of the masterminds of the 18 May incident, was detained with the charge of illegal profiteering, the atmosphere has been drastically changed. This is because the judiciary may face great resistance from the people if it acquits the shameless criminal, who embezzled several hundred billion won.

This being the situation, some relevant officials even regard the issue of a petition concerning the 18 May Kwangju incident as the issue that will decide the fate of the incumbent Constitutional Court.

Under these circumstances, the DLP's announcement of the policy on enactment of a special law has decisively changed the situation.

This is because the call on the Constitutional Court to stand aloof from movements of political circles is merely a "theory," and the reality does not allow the Court to remain indifferent to them.

Thus, some people are even making caustic jokes that "the political sphere has now alleviated the agony of the judiciary."

It seemed at first that the Court examination of the case would be adrift for a long time, even beyond this year. However, it is very likely that the court will now promptly examine the case. There are even cautious predictions that the case may be decided within the year.

Business Attitudes Toward 'Special Law' Viewed

SK2611003695 Seoul THE KOREA HERALD in English 26 Nov 95 p 8

[FBIS Transcribed Text] President Kim Yong-sam's decision to punish the masterminds of the May 1980 military coup d'etat, including his two predecessors, is drawing mixed responses of expectations and worries from the local business community.

Most economic analysts, noting that the move is mainly a political issue, cautiously ruled out any serious impact on the economy as a whole.

Some of them are anticipating that the proposed purge of leftover politicians from previous military regimes will help bring to an early end the slush fund scandal in which almost all owners of the nation's leading conglomerates are suspected of giving bribes to former President No Tae-u.

Others, however, were concerned that the successive breakup of political and social turmoil will take the people's attention, particularly those of businessmen, away from economic to non- economic areas, thus further delaying the economy's resumption of normal operation.

The atmosphere was particularly tense among the economic bureaucrats who seem to believe the seismic change in the political circle would result in a wider-than-expected cabinet shakeup and subsequent reshuffle among officialdom.

A Finance and Economy Ministry official said that in addition to some cabinet ministers preparing to run for parliamentary elections, the proposed legislation of a special law will bring about a large-scale cabinet change.

Another official, at the Trade, Industry and Energy Ministry, said that the political turbulence sparked by the planned settlement of old scores is not expected to affect the economy as much as the slush fund scandal does. "If the political hubbub surrounding the special law enactment is prolonged, however, it may throw cold water on barely reviving business activities," he said.

Private research institutions affiliated with major business groups also supported in principle President Kim's decision but expressed concerns about possible adverse effects it will have on the economy.

Yi Han-ku, president of Daewoo Economic Research Institute, while conceding that it is too early to tell as the contents of the special law have yet to be worked out, warned against potential harmful impact in a worst case scenario. "No longer should the economy be caught up in non-economic factors," he said.

Other heads of research units said that as long as the cleanup of past politicians remains purely a political issue, its impact, if any, on the economy will not be serious.

Executives at major chaebols (conglomerates) were also divided in their reactions to and expectations about the ruling party's move.

Almost all of them supported the cause behind the decision as a welcome move to rectify the distorted flow of national history, providing the nation with an occasion to re-illuminate its dark past and start anew both politically and economically.

Most also said that in view of the resilience of Korea's economy, it will likely be able to emerge unscathed from the considerable effect the political change will have on it. Some even predicted that the successful clearing of past records will be "good medicine" for future economic development.

Others were more worried, saying that on top of a series of disasters from last year, the latest economic and political turbulence may deepen social confusion, dealing protracted damage to the economy.

The businessmen shared views that the investigations into the May 18, 1980 coup should not shake the economy too violently, thus driving away foreign investors and freezing the domestic financial market, including the stock exchange.

The whole nation should make concerted efforts to get out of the ongoing political and economic turmoil to make a fresh start for a new era, in which the economy can be completely free from the influence of the politics, they said.

Decision Not To Indict May Coup Leaders Viewed

SK2711013095 Seoul THE KOREA TIMES in English 27 Nov 95 p 3

[FBIS Transcribed Text] The Constitutional Court has concluded that the prosecution's decision not to indict the leaders of the "May 17 Coup" was "improper," it was learned yesterday.

Following a seventh round of deliberation last Thursday [23 November] on an appeal against the prosecution's decision, the nine justices of the court which takes up issues involving constitutional matters, said that "a successful coup is also subject to the law," and ruled the prosecution decision was improper, court sources said.

With the Constitutional Court's ruling, which will be formally announced some time next month, former Presidents Chon Tu-hwan and No Tae-u can be criminally charged more than 15 years after they staged the coup in May, 1980.

The prosecution, earlier, had presented its view that the law enforcement authorities have "no authority to prosecute the leaders of a successful coup d'etat, though criminality is recognized in the course of their ascension to power."

Members of a civic group filed complaints with the Seoul District Prosecutors' Office last year against Chon, No and 56 other people involved in the May 18, 1980 bloody suppression of the pro-democracy movement in Kwangju.

The Constitutional Court also determined the 15-year statute of limitations for coups do not cover presidential terms as the president remains beyond legal action, punishable only through impeachment procedures under the Constitution while in office, officials at the court said. Given that, the limitations for Chon Tu-hwan and No Tae-u are extended by seven and five years, respectively.

The court's epoch-making decision was, however, eclipsed by the bombshell announcement that President Kim Yong-sam last Friday ordered the ruling Democratic Liberal Party to enact a special law to prosecute leaders who suppressed the Kwangju uprising and of the May 17, 1980 coup.

Some Constitutional Court justices have privately expressed regrets over President Kim's announcement, which came ahead of the court's official ruling, the court sources said.

The Constitutional Court was planning to make public its decision on the appeal next month, after putting the final touches to it today.

The court decision covers almost the same legal ground as the special bill for prosecution of the former heads of state, but differs over the statute of limitations for those involved in the coup.

The court's ruling against the prosecution's decision will bring only the two ex-chief executives to justice, while the proposed special bill may allow legal action against all of those who led or assisted in the coup and the Kwangju suppression, the Constitutional Court sources said.

Apparently baffled by the Constitutional Court's decision, the Supreme Public Prosecutor's Office immediately reversed its earlier position by twisting logic, saying that "the successful coup has become a failed one, now that a new interpretation will be made through the special legislation."

Choe Pyong-kuk, senior prosecutor in charge of the National Security Department of the Supreme Public Prosecutor's Office, said that it is all too natural that law enforcement authorities change their position when a "new legal ground" is provided.

Choe made it clear that the prosecution will reinvestigate all of the 58 involved in the coup, including another former President Choe Kyu-ha.

The prosecution investigated the coup case for about six months, upon the filing of papers by a civic group seeking to bring to justice those involved in the bloody suppression of the citizens' uprising in Kwangju.

The prosecution's decision last July not to indict the masterminds of the coup touched off strong protests from all walks of life with more than 6,000 professors issuing statements.

'Special Law' To Exclude Victim Compensation

SK2711043495 Seoul CHOSON ILBO in Korean
27 Nov 95 p 1

[Report by Kim Min-pae]

[FBIS Translated Text] It was learned on 26 November that in writing a 18 May Special Law, the ruling bloc decided not to legislate compensation and retrials for those who served prison terms or who suffered losses from civil and criminal cases in connection with the 12 December and 17 May coups. It was also learned that the ruling bloc adopted this decision because it believed that if the special law contained provisions for compensation and retrials, it would stipulate new rights and duties that might violate the Constitution in terms of retroactive legislation; in addition, if a "special Kwangju compensation law" or the like was promulgated, and if compensation was given to the victims, this would give rise to social and legal chaos as well as various other problems of massive proportions.

The ruling bloc adopted this decision because it believed that if the special law made illegal all actions by the military leaders who took power during the coups and by the leaders of the Fifth Republic, then those who served prison terms in connection with the coups would request retrials en masse, and former owners of businesses and newspaper and broadcast firms who had been deprived of their companies due to the mergers of many businesses and newspaper and broadcast firms would request those companies be returned to them, which would give rise to massive economic chaos.

Therefore, it seems no special legislation will be drafted for the 38,000 victims of the Samchong reeducation camp; for those who served prison terms for their involvement in the "Kim Tae-chung insurrection plot incident"; for Kim Chong-pil and others who had their property confiscated; and for those who suffered losses in the merger of newspaper and broadcast firms.

A high-ranking official of the ruling bloc said: "The special law will contain only declaratory and symbolic provisions, such as a provision concerning the statute of limitations, because the law will be written to punish the leaders of the 12 December and 17 May coups." He added: "I know that no provision or separate law will be written on compensation and retrials." Pak Hon-ki, member of the Democratic Liberal Party committee drafting the special law, stated: "Requests for retrials and compensation for the 12 December and 17 May coups will be made under the current codes on civil and criminal legal procedures. Therefore, the special law will bring no significant change as far as retrials and compensation are concerned."

Not To Specify Action Limitations

SK2711013695 Seoul YONHAP in English
0123 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — The government and the ruling Democratic Liberal Party (DLP) have decided that no limitations of public action be specified in the projected "May 18 Special Law" for the Dec. 12, 1979, and May 18, 1980, coups d'etat, an informed source said Monday.

A provision that calls for the suspension of the statute of limitations for anti-human crimes, including disruptions of constitutional order, rebellion, and massacres that occurred during the 1979 coup d'etat and the bloody suppression of the 1980 civil uprising in Kwangju, will be stipulated in the proposed special law, according to the source.

"The fact itself is not right that punishment against offenders of those crimes is restricted because of the statute of limitations," the source said, "a provision is now being studied for inclusion in the proposed May 18 Special Law that calls for limitations being non-applicable for those crimes and punishment for such offenders at any time."

To prevent the recurrence of a disruption in constitutional order and usurpation of power, a rule must be established that such wrongdoings are subject to punitive measures at any time, the source said, adding, "The proposed May 18 Special Law will incorporate the spirit of limitless punishment against rebellion."

The government and the ruling camp, however, reportedly plan not to include in the special law provisions concerning compensation for victims of the Kwangju uprising.

In the meantime, the DLP is set to convene Monday the first meeting of its May 18 Special Law Drafting Committee.

In a bid to have the bill passed by the National Assembly during its current session ending Dec. 18, the ruling party intends to submit the bill to parliament by early December at the latest. Should achieving this goal turn out to be difficult, the ruling camp plans to convene an extraordinary parliamentary session early next year to deal with the special bill.

To accommodate public opinion, the drafting committee intends to hold public hearings, discussion meetings, and debates on the special proposed law on the one hand, and conduct consultations with organizations related to the Kwangju movement and opposition parties on the other.

In an effort to avoid political disputes, the DLP does not plan to accommodate the opposition call for introducing a special prosecutor system.

Ad Hoc Subcommittee Formed for Special Bill

SK2711074495 Seoul YONHAP in English
0730 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — The National Assembly Legislation and Judiciary Committee decided Monday to form an ad hoc subcommittee tasked with drafting a single May 18 special law bill.

The decision was reached at a meeting of the secretaries of four political parties presided over by committee Chairman Rep. Pak Hui-tae of the ruling Democratic Liberal Party (DLP).

"The four parties agreed to have the ad hoc subcommittee, upon submission of a bill by the Democratic Liberal Party, deliberate the bills of the negotiating groups en bloc in a bid to hammer out a single bill, and exert themselves to have it passed during the ongoing regular parliamentary session," Pak said.

They also agreed to hold public hearings, if necessary, during the course of deliberating the proposed May 18 law.

In view of major differences over the issue of introducing a special prosecutor system, however, the parties are expected to undergo a hard sailing, political analysts noted.

All the three opposition parties — the national congress for new politics, the Democratic Party and the United Liberal Democrats — call for introducing a special prosecutor system to ensure a fair and thorough probe into the truth about the massacre that occurred during the May 18 Kwangju uprising in 1980.

But the DLP is strongly opposed to it on the grounds that it would entail political disputes.

Chon Tu-hwan Plans To Fight 'Special Law'

SK2711105195 Seoul YONHAP in English
1028 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — Former President Chon Tu-hwan plans to fight the current political move to legislate a special law against those responsible for the Kwangju incident of 1980 by mobilizing all means available, one of Chon's lawyers said Monday.

Yi Yang-u told reporters at his law office, "We cannot accept the planned legislation of a special law on the May 18 incident."

He said Chon's side will fight with all available means the attempt to create a special law which he branded as an "anti- democratic and anti-human rights law for political reprisal, dictated by President Kim Yong-sam."

"We will emphasize our justness to the end especially because there dwells in the move a sinister machination to annihilate the forces of the Chon Tu-hwan and No Tae-u administrations," Yi said.

He reiterated that the December 12, 1979 incident was an affair that flared up in the course of investigating a collaborator in the assassination of President Pak Chong-hui, and the May 18 (Kwangju) incident part of inherent military operations.

Approval of Extended Detention for No Sought

SK2511035295 Seoul YONHAP in English
0241 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — The prosecution on Saturday asked for the court's approval for an extended detention of former President No Tae-u, with the first 10-day legal detention period having expired.

The prosecution also submitted a similar application for Yi Hyon-u, former chief presidential security guard under No, whose legal detention period ends Sunday.

Under the current criminal law, prosecutors are supposed to indict No before Dec. 5 when the second detention period expires.

For his indictment, they are expected to focus on the illegality of the slush fund that the ex-president created, and the prosecution is likely to announce the results of its investigation around the expiration date of No's second detention period.

Meanwhile, former lawmaker Yi Won-cho released from the prosecution at 2:00 AM Saturday [1700 GMT 24 November] after two days of questioning. He has been suspected of having been involved in raising and managing No's slush fund.

The ex-legislator also allegedly received kickbacks amounting to 230 million won from former Donghwa Bank President An Yong-mo in return for helping An retain his post, according to prosecution sources.

Opposition Leader: Hidden Purpose Behind Scandal

BR2711143595 Stockholm DAGENS NYHETER in Swedish 24 Nov 95 p A8

[Report on interview with South Korean opposition leader Kim Sang-u by Goran Leijonhufvud in Seoul; date not given: "Scandal Politically Convenient"]

[FBIS Translated Text] Seoul — The ruling party in South Korea has a hidden purpose in letting the scandal surrounding former President No Tae-u's secret funds erupt at this particular moment. Kim Sang-u, one of the leaders of the opposition party NCNP [National Congress for New Politics], said this in an interview with DAGENS NYHETER.

"It is about saving one's own skin. They are doing so poorly in the opinion polls. They need a question like this where they can appear to be dynamic," he said.

The ruling DLP (Democratic Liberal Party) would win only five out of 47 districts in Seoul in the parliamentary election in March, for example. This according to the government's own information, Kim claimed.

One of President Kim Yong-sam's cabinet members mentioned No's secret funds in a conversation with local journalists already five months ago. But at that point the affair was hushed up. Why does it resurface now?

Kim Sang-u said that he knows why. He is foreign policy adviser to Kim Tae-chung, who is a living legend in Korean politics. "DJ," as he is called by the people closest to him, was the strongest voice calling out from the democratic opposition during the military dictatorship.

Kim Tae-chung lost the 1992 presidential election by a rather narrow margin to Kim Yong-sam, his old rival from the dissident camp. After that he retired. But when he saw that the ruling party was so unpopular in last summer's local elections, he decided to try again.

Already after a few months it looked like his newly created party, the NCNP, would become the largest party in next spring's parliamentary elections. Then came the revelations that former President No Tae-u had amassed funds to a value of over 4 billion kronor. And then Kim was forced to go public and admit that he belonged to those who had received contributions from No's auxiliary funds.

Kim Tae-chung got $2 million for his presidential election campaign. But current president Kim Yong-sam got even more, according to Kim Tae-chung.

The revelation about No's funds came from Pak Kye-tong. He is a member of parliament for the DP [Democratic Party], another opposition party.

"But we have proof that he got this information from a high-level source within the ruling party, who in other words used Pak to make the revelation."

It was under any circumstances a difficult acknowledgement that Kim Tae-chung was forced to make and it has cost him a great deal of prestige. So the former dissident had accepted money from the former general, No Tae-u, who was involved in the oppression during the 1980's.

No was arrested last week, suspected of having taken bribes from businesses in exchange for government contracts. But No could bring Kim Tae-chung down with him and that is one reason why the affair was brought to light at this particular moment, according to Kim Sang-u.

"DJ is a fighter and now he is fighting for his political survival. But it is not easy," his adviser admitted.

But Kim Sang-u believed that Kim Yong-sam has made a miscalculation. Now it will be difficult to limit the No affair. It could also damage the president.

Hanbo Chairman Indicted on Bribery Charges

SK2711085295 Seoul YONHAP in English 0822 GMT 27 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 27 (YONHAP) — The prosecution Monday indicted without physical detention Hanbo business group Chairman Chong Tae-su on charges that he gave 15 billion won in bribes to former President No Tae-u in return for government favors concerning some of the tycoon's land purchases in Seoul.

The Supreme Public Prosecutor's Office said that Chong gave money to No on four different occasions beginning in late November 1989. It is alleged that the ex-president was asked by Chong to have the government sell the chaebol head plots of land in the Suso area of southern Seoul under the "optional contract" for building residential dwellings there.

Prosecutors said that they discovered that Chong delivered such kickbacks to No through checks amounting to 10 billion won around Nov. 28, 1990.

Exit Ban Considered for Yulgok Scandal Suspects

SK2511052595 Seoul YONHAP in English 0513 GMT 25 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 25 (YONHAP) — The prosecution is considering banning 10-odd persons from leaving the country in connection with its probe into alleged irregularities involving the Yulgok arms purchase project.

The action was prompted by former Defense Minister Yi Sang-hun's departure for Guam Friday [24 November], the same day that the prosecution announced that it had reopened the Yulgok case, prosecutors said Saturday.

The Central Investigation Department of the Supreme Public Prosecutor's Office is focusing its probe into suspicions that former President No Tae-u accepted bribes from an aircraft firm in return for a contract for the Korea fighter program in 1991.

The government originally had decided to purchase F-18 fighters in December 1989, but later reversed its decision in favor of F-16 fighters in April 1991. It is suspected that the change in Seoul's order for the aircraft was due to No and his Chief Secretary for Foreign and National Security Affairs Kim Chong-hwi receiving huge kickbacks from the supplier who was awarded the project.

The prosecution is reviewing records of investigation it made in June 1993, when it took legal actions against some 10 people, including former Defense Ministers Yi Chong-ku and Yi Sang-hun, former Air Force Chiefs of Staff Han Chu-sok and Chong Yong-hu, and former Chiefs of Naval Operation Kim Chong-ho and Kim Chol-u.

The prosecution is also reviewing related materials given recently by the Board of Audit and Inspection.

Upon completing its study of these records, the prosecution sometime next week plans to summon for questioning persons related to the military project such as former Defense Minister Yi Chong-ku and former Air Force Chief of Staff Chong Yong-hu, according to prosecutors.

Farm Goods Imports Increase 'Sharply' in 1995

SK2411121295 Seoul YONHAP in English
0704 GMT 24 Nov 95

[FBIS Transcribed Text] Seoul, Nov. 24 (YONHAP) — South Korea's imports of farm products, particularly American corn and pork and Japanese cigarettes, increased sharply this year, the first of market liberalization under the World Trade Organization (WTO) regime.

The nation's imports of agricultural goods in the third quarter increased 20.9 percent to 7,770 million U.S. dollars over the same period last, while exports rose 16.7 percent to 2,440 million dollars, the Ministry of Agriculture, Forestry, and Fisheries announced Friday.

Incoming farm products in particular registered a 26.3 percent rise to 4,190 million dollars, accounting for the lion's share of agricultural imports.

Seven items — feed corn, cigarettes, coffee, whiskey, beef, pork and sugar cane — accounted for 30 percent of total imports.

With demand for substitute feed hiked due to the soaring international market price of wheat, shipments of corn from the United States jumped as much as 81 percent to 908 million dollars.

Korean orders for cigarettes, apparently influenced by a trend of excessive consumption, soared 53 percent to 272 million dollars, while those of whiskey jumped 80 percent to 89 million dollars.

With the liberalization in the importation of 154 products this year, such items registered 1,433 million dollars, up 41.6 percent or 421 million dollars from the third quarter last year. Shipments for corn accounted for 96.4 percent or 406 million dollars of the total dollar figure of the increase for items.

By country, Japan shipped farm products here totaling 184.7 million dollars, up 53.8 percent, with cigarettes accounting for 105.5 million dollars, a rise of 100.2 percent.

U.S. agricultural imports topped 1,809.6 million dollars, up 131.3 percent, with corn tallying 880.6 million dollars, up a whopping 1,905.9 percent.

American cigarettes registered 109.6 million dollars or up 47.7 percent with pork and oranges, due to the introduction of the obligatory import system under the who regime, skyrocketing 451.7 percent and 60.8 percent, respectively.

South Korea's exports of farm, Forestry and Fisheries products to China topped 116.8 million dollars during the same quarter this year, up 159.6 percent over the corresponding three-month period last year. Their imports from the world's most populous country, on the other hand, fell 41.8 percent, registering 561.9 million dollars.

Burma

NLD's Suu Kyi Issues Statement on Convention

BK2411104695 (Internet) BurmaNet News in English 23 Nov 95

["Full text" of statement delivered by Aung San Suu Kyi at a press conference on 22 November; place not given]

[FBIS Transcribed Text] The Observations of The National League For Democracy on The National Convention [subhead]

A State constitution is a contract between the people and the government of a nation. Only a constitution that is willingly accepted by the people will endure the test of time. The National League for Democracy [NLD] believes that if genuine multi-party democracy is to be established in Burma a constitution based firmly on democratic principles is an absolute necessity.

The NLD was founded with the aim of achieving a genuine democratic system which accords with the will of the people, and of constructing a strong and lasting Union of Burma. It believes that the ultimate power of state derives from the people and that in a democratic nation there should be rule of law and a constitution that guarantees basic human rights, including freedom of worship, freedom of speech and expression and freedom of association. Further, as stated in its election manifesto, the NLD believes that the foundation for a strong, lasting and prosperous union has to be laid through a National Convention where all the ethnic groups of Burma can jointly decide the future course of the Nation.

The overwhelming success of the NLD in the elections of 1990 was an endorsement by the people of its principles and policies.

The State Law and Order Restoration Council (SLORC) has said it wishes to establish multi-party democracy in Burma and to return power to the people as soon as possible.

SLORC declaration number 1/90 of 27 July 1990 states that it is the duty of the elected representatives of the people to draw up a constitution.

On 18 October 1990, SLORC secretary (1) [Lieutenant General Khin Nyunt] confirmed in a speech made at the Kyunchaung fertilizer plant that it was the duty of political parties and elected representatives to draw up the State constitution. During the preliminary discussions on the National Convention the chairman of the National Convention Convening Committee [Lieutenant General Myo Nyunt] also stated that the elected representatives would be responsible for drawing up the constitution and that decisions based on the presentations of delegates would be arrived at through a democratic process.

Political parties were made to sign an undertaking to abide by the terms of declaration 1/90 which remains valid to this day. However the National Convention has not been conducted in accordance with the terms of the declaration. The role of political parties, clearly delineated in the declaration, has been obfuscated.

An examination of actual conditions within the National Convention reveals that there has been a shift away from its original declared aims. The following are some of the features of the present convention:

The elected representatives of the people constitute only 15.24 per cent of the delegates and thus are permanently in the minority.

Neither the objectives of the Convention nor its working procedures were drawn up in consultation with delegates.

Papers to be presented at the Convention are censored and have to be corrected in accordance with the wishes of the authorities.

Decisions are laid down before an issue has been fully discussed.

The Convention is making decisions not only on broad principles for the proposed constitution but also on its details.

There is no fixed timetable for the Convention.

The NLD as the political party that has received the mandate of the people has a duty to point out that its expectations with regard to the National Convention have not been realized. The work procedures of the Convention are not democratic and the basic principles for the proposed constitution include some which are not consonant with a truly Democratic State. These problems can only be resolved through dialogue. The NLD invites all concerned to join together in mutual trust and goodwill to work towards building up genuinely Democratic Nation in accordance with the wishes of the people.

If the National Convention continues in its present form it cannot assist in achieving national reconciliation, genuine multi- party democracy, or a state constitution that enjoys the support and confidence of the people. These aims can only be achieved through discussion and dialogue.

Concluding Statement [Subhead]

The National Convention in its present form is not acceptable to the people of Burma and because it not acceptable to the majority of our people it is not acceptable to the National League for Democracy. And a constitution that is drawn up by a National Convention that does not enjoy the confidence of the people will itself not get the support of the people. And a constitution that is not supported by the people will be nothing more than a piece of paper. So we call upon all those concerned to discuss the matter of bringing about a National Convention that is truly acceptable to the people and that will be able to draw up a constitution that will create a lasting democratic Union of Burma. It is for this reason that we have now put out this statement because the National League for Democracy has a duty to proclaim its position to the people who voted for it in 1990. We believe that our statement, our stance will be supported by the great majority of the people of Burma and it is our intention to continue along a path that is always consonant of the will of the people.

Thank you.

Suu Kyi: Arrest of 3 Party Members 'Injustice'

BK2511124695 Melbourne Radio Australia in English 1100 GMT 25 Nov 95

[FBIS Transcribed Text] The leader of Burma's opposition, Aung San Suu Kyi, has condemned as blatant injustice the jailing of three party members for an incident outside her home last Saturday.

Evan Williams reports from Rangoon that her National League for Democracy Party is appealing against the two-year jail term given to the three which sees it as a general warning.

[Begin recording] [Williams] Suu Kyi says party video shows the three were involved in nothing like the assault and use of criminal force as they had been charged. The incident happened when the three asked police to move barbed wire barricades outside her house to allow more room for the hundreds there to hear her speak. The arrest is seen as a warning as officials seem to fear the meeting, she says.

[Suu Kyi] Well, I think, probably, they want to discourage people from coming to the meeting.

[Williams] But she says there are simply talks on what's happening in the country, and if officials see the message they should change conditions leading to those problems. Hundreds gather on Saturdays and Sundays to hear her and party chief speak. [end recording]

Increases Public Criticism

BK2711091395 Melbourne Radio Australia in English 0630 GMT 27 Nov 95

[From the "International Report" program]

[FBIS Transcribed Text] Political tension is escalating in Burma as the opposition steps up public criticism at the military regime ahead of tomorrow's constitutional conference. The opposition wants the military to drop or at least negotiate key elements of its bid to write itself into political power through the new bill. Opposition Leader Aung San Suu Kyi is increasing public criticism of the military's management and its refusal to open talks. In an exclusive interview with our correspondent Evan Williams in Rangoon, Suu Kyi warned the military will have to be shown that opening such talks is necessary.

[Begin recording] [Williams] With no sign of talks, Suu Kyi is stepping up the war of words against the military rule. To several thousand on the weekend, she indirectly criticizes the military's greed, mismanagement, and attempts to impose its will on the people by decree. Then she provocatively referred to the opposition's banned symbol of a peacock.

[Suu Kyi in Burmese fading into English translation by Williams] When the time is right the peacock must fight, she says, the peacock can dance when it achieves victory. She attacked the military's failure to open talks with her opposition saying those who refuse talks must lack confidence. The military hopes to marginalize her as it wraps up a manipulated constitutional convention and the people get more interested in making money than politics. Its only response is in the official press where it fires back increasingly bitter personal rebukes and states emphatically the military will have a role in Burma's future political leadership, but that's what Suu Kyi will now oppose.

[Suu Kyi] We would like to hear that they have taken seriously the statement that we have issued and we would like to see the beginning of dialogue and discussions so that the National Convention can be conducted in a form, which is acceptable to everybody.

[Williams] If that doesn't happen, the NLD [National League for Democracy] will take some form of undisclosed action to show the regime that change is needed.

[Suu Kyi] If they see the change as [word indistinct] they will change.

[Williams] So are you threatening them with any form of action?

[Suu Kyi, interrupting] No, I am not threatening them at all. I think, I would like them to see that change is necessary for everybody. It is not just for us or for them. It is for everybody, for the whole country. That is the message that we have been trying to get across — that dialogue is not a boxing match. No, we are not trying to knock somebody over and then be declared as the winner as it were. Dialogue is a way of finding a solution that will benefit all sides that will be acceptable to all sides, and we think that they will see in time that this is what dialogue is about, but we would like them to see it sooner rather than later.

[Williams] She says mass rallies are not on the opposition agenda but some observers questioned what else the opposition can really do in the face of such an entrenched military power that simply refuses to talk.

[Suu Kyi] No, it is not we who are provoking a confrontation because we have always asked that there should be a dialogue and discussion to resolve this problem. So if anybody is provoking confrontation it is those who refuse to have dialogue.

[Williams] And the NLD is facing a new challenge. Although most of the people still hold her as a symbol of democratic hopes, many are becoming more interested in making money and keeping jobs than rocking the boat and losing everything. Suu Kyi insists that new investment is not helping most of the people and rejects suggestions she risked being marginalized by the same overpowering strength that keeps the rest of the country down.

[Suu Kyi] Because we have the support of the people and the NLD as an organization is been reconsolidated and we are strengthening our position and [words indistinct] and however much they may try to marginalize us they will never be able marginalize the people.

[Williams] So in fact you do [feel] confident about that. Do you think, in fact, that the West, may be West in general, are too impatient about seeing things developing [words indistinct]?

[Suu Kyi] Oh, the people of Burma are impatient too. If you ask us when we want democracy we will tell them to do it now, this very second if we could have it. But one has to be practical as well.

SSNA Said Pressured To Attack MTA

BK2411103695 (Internet) BurmaNet News in English 22 Nov 95

[Report from Shan Herald News Agency dated 17 November: "SLORC Is Pressing SSNA To Fight MTA"]

[FBIS Transcribed Text] Now, it is a well known fact that in early June Major Karn Yord had deserted the MTA [Muang Tai Army] to form a separate army named SSNA (Shan State National Army). After a while they made a ceasefire agreement with the SLORC [State Law and Order Restoration Council] and were trying to gain favours from it like the other former ceasefire groups. But, in September, the SLORC said that it would recognize SSNA as a legitimate ceasefire group only if SSNA accept the following 4 conditions: SSNA

(1) must not recruit any new member nor enlarge it's territories.

(2) must not buy or gather any more arms and ammunitions.
(3) must not take part in political and military organisations.
(4) must not make any contact with any other group without SLORC's knowledge and permission.

Whether SSNA has agreed to these conditions or not is yet to be known. However, since October, Karn Yord has opened up an office in his native town of Pang Long with 3-4 members of MI (Military Intelligence) accompanying him everywhere.

But the SLORC is still suspicious of him and has reportedly said to him that his mutiny is a bloodless one. Desperate to gain favours from the SLORC, Karn Yord is said to have signed an agreement with it at Pang Long promising to prove his sincerity by fighting Khun Sa.

That is why battles between SSNA and MTA broke out in mid-October in Keng Lon areas, Southern Shan State. Prior to the battles, the SLORC has reportedly provided them with 20 sacks of rice, 2 tins of cooking oil and 2 sacks of beans.

Who knows if travel expense, canned meat and fish, army rum are not included.

Brunei, Malaysia & Singapore

Singapore

Editorial Views Results of APEC Summit

BK2211141395 Singapore THE STRAITS TIMES in English 21 Nov 95 p 26

[Editorial: "After Osaka, pace quickens"]

[FBIS Transcribed Text] The Osaka meeting of APEC [Asia-Pacific Economic Cooperation] has turned out better than could have been hoped for even a week ago, when officials working on a statement of action for their leaders to proclaim were bogged down over matters that were not only less pressing but had the most potential for discord too. Chiefly, this was the agricultural trade.

In the end, it took a dose of realism on the part of commodity producers such as the United States and Australia, and some give from farm-sensitive countries like China and Japan, to have the blockage cleared. This was done strictly on the understanding that the farm issue is held in abeyance, not forgotten. The flexibility in opening up problematic sectors that this implies is important. Without that leeway, it might not have been possible to create room for forward movement in areas of maximum convergence, such as tariff cuts and an easing of regulatory restrictions. For impact, this piece of conflict-avoidance cannot compare with, say, China's reducing its tariffs on 4,000 items by an average of 12 percentage points. But it was crucial to the deliberations. No one should be under any illusion that for all the delegation heads' job-well-done concluding remarks, Osaka came close to becoming a lost opportunity. It was a let-off — make no mistake.

The farm issue, not to mention copying of intellectual property in Asia or America's coddled textile industry, will continue to bedevil each succeeding APEC meeting. The comfort to be drawn here is that the protagonists, such as the US in the case of agricultural exports, acknowledge tacitly that it is better to lose a little here (delayed farm opening) and gain more there (other merchandise trade, services and investment). The principle of all or nothing was never a viable option. This is what flexibility should mean — that of expectations, not so much specific sector liberalisation. Members should now take stock. After last year's Bogor meeting which set the famous dual-track deadline for complete market opening, expectations were high in some quarters — particularly wide-open economies like the US, Hong Kong, Singapore — that Osaka would be the beginning of action stations. There will be different interpretations of whether the Osaka agreements amount to any such thing, but the consensus seems to be that Manila 1996 is where the climb up the mountain begins, to cite Prime Minister Goh Chok Tong's imagery of the APEC progression. Osaka, he said, established the route up with the base camp set. Political will and pragmatism will be called for if one is not to hear, after the Manila meeting, that perhaps Vancouver, the host for 1997, should be when barriers start coming down.

That said, the statements of intent on market opening heard in Osaka were exciting. It should not matter that China's package, which also includes convertibility of its currency, was made as much with the intention of meeting the criteria for joining the World Trade Organisation. If one lever exerts pull on another, so much the better to enforce discipline among members of an interdependent global scheme. Nor should Indonesia's undertaking to reduce tariffs to a low 10 per cent by 2003 be considered improbable for a country at that stage of development. This is considering that New Zealand, which has stripped away plenty of tariff and non-tariff protection after a decade of reform, will be cutting its duties to only below 15 per cent by 2000. This is the spirit of dash that APEC needs. May it be infectious. But there is the matter of the Americans and their resolve. To compound President Bill Clinton's absence, their participation in Osaka looked ill-prepared. Their down payment was a batch of previously announced administrative measures, and saying a lack of congressional authority prevented the government from offering binding concessions sounded lame. They have to prove they are serious. As APEC starts to rev up, this is no time for the Americans to show other than full commitment.

Cambodia

U.S. Organizer of Anticommunist Group Departs

BK2711061695 Hong Kong AFP in English 0540 GMT 27 Nov 95

[FBIS Transcribed Text] PHNOM PENH, Nov 27 (AFP) — One of four US citizens suspected of organizing an anti-communist resistance movement to overthrow the government in Hanoi has left Cambodia after warnings from police, senior government officials said Monday.

Andre Paul, a naturalized US citizen originally from southern Vietnam, left Cambodia two weeks ago after police from the Ministry of Interior intelligence branch confronted him and said he would be arrested if he did not return to the United States, the officials said.

The other three, two Vietnamese-Americans and an American-born man ostensibly involved in a private search for US servicemen missing in action from the Vietnam War, remain at large, they said.

The US embassy declined to comment on the matter.

The men are suspected of organizing Vietnam Tudu (Free Vietnam), a movement based in Phnom Penh that is bent on destroying the communist government in Hanoi, which has concerned Vietnamese officials.

The group was established in mid-1994 and became a concern later that year when it began to attract more than fringe elements and its members began boasting that they could raise more than 20,000 soldiers, according to the officials.

Literature and audiotapes about the movement confiscated from Andre Paul said the group had organized a provisional government called the "Free Vietnamese

Government" with nine ministries headed by a prime minister named Nguyen Thieu Chan.

The literature also says the group has organized four armed divisions of soldiers, but gives no indication of how many men they have under arms.

Though members of the group are not thought to have violated any Cambodian laws yet, their presence here has become a major embarrasment for the the Phnom Penh government, which is trying to strengthen its relations with Vietnam.

Suspected members of the group are being watched closely and the Cambodian government plans to call together between 50 and 100 of them together on December 20 to discourage them from organizing further, officials said.

"They will be told that if they continue to organize and operate, they will be arrested," Hok Langdi, chief of the National Police, told AFP.

He said they would be charged with creating insecurity and possession of illegal weapons, if warranted, crimes which are punishable by up to five years in prison.

King 'Ready' To Abdicate To Resolve Problems

BK2511090395 Hong Kong AFP in English 0803 GMT 25 Nov 95

[FBIS Transcribed Text] PHNOM PENH, Nov 25 (AFP) — Cambodia's King Norodom Sihanouk on Saturday vented his frustration with his country's coalition government and its current crisis, implying there are no worthy successors to the throne.

He said analysts who have noted his apparent inability to prevent the political demise of his half-brother, Prince Norodom Sirivut, jailed on charges of plotting to kill co-Premier Hun Sen, and of government critic Sam Rangsi, who was expelled from the royalist FUNCINPEC party, should find someone to replace him.

"I invite those analysts to present to the Council of the Cambodian Crown, a Cambodian prince who deserves to be elected as the new constitutional king," the 73-year-old constitutional monarch said in a statement.

"I am ready at any time and without condition to abdicate and leave the throne of Cambodian open to a prince more competent than I am to resolve in a smooth way the problem of the current regime."

The king has frequently complained that the country's political leaders ignore him.

Prince Sirivut is the secretary general of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] and Sam Rangsi, a former finance minister and FUNCINPEC member, was expelled from the party and then from parliament earlier this year.

Sam Rangsi is now the leader of the opposition Khmer Nation Party which has been declared illegal by the government.

Khieu Samphan Says SRV Behind Sirivut Arrest

BK2311105095 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 22 Nov 95

[Interview with Khieu Samphan, prime minister of the Provisional Government of National Union and National Salvation and chairman of the National Union Party, by unidentified correspondent on 22 November; place not given — recorded]

[FBIS Translated Text] [Correspondent] Greetings, Your Excellency the prime minister. Tanks, armored vehicles, and heavily armed Vietnamese sappers were seen in a display of force in Phnom Penh recently. They came out to support Hun Sen and to arrest Prince Sirivut on the charge of attempting to stage a coup d'etat and plotting Hun Sen's assassination. What is your opinion?

[Khieu] That was a rehearsal, a mock coup that placed under arrest a person who does not even have a single bullet with him. It was to enable Hun Sen and communist Vietnam to stage a real coup to crush and eliminate those who have refused to become lackeys of communist Vietnam or lackeys of its puppets. Immediately after that, this theatrical act was exposed by our nation and its people because Hun Sen and communist Vietnam have used this same old trick for too many times. What do we know? We know that it was orchestrated by Le Duc Anh and the Communist Party of Vietnam.

Communist Vietnam was also behind the farcical attempt to secede seven eastern Cambodian provinces adjacent to Vietnam. So was the farce of sending star-studded puppet generals to the royal palace to intimidate and pressure Samdech Norodom Sihanouk into setting up the two-headed government, which in reality is a communist Vietnamese puppet government. Communist Vietnam was the one who used Hun Sen to oppose the holding of roundtable talks. Hun Sen's letter which denigrated, deprecated, and threatened Samdech Norodom Sihanouk also bore the unmistakeable fingerprints of communist Vietnam. Moreover, communist Vietnam was also behind the mock coup d'etat of July 1994, which was for Hun Sen and the communist Vietnamese to stage a real coup to intimidate and bully FUNCINPEC [National United Front for an

Independent, Neutral, Peaceful, and Cooperative Cambodia] and other parties into voting for their so-called law to outlaw the national resistance forces. Those who did not understand it before understand now very well that this law can do nothing to the forces fighting for national salvation, that it is merely a fascist law used to suppress and incarcerate people who have refused to be lackeys of communist Vietnam and lackeys of its top goon and henchman Hun Sen. Communist Vietnam also stage-managed the farce of the petitions sent by communist Vietnamese puppet soldiers to intimidate and threaten the FUNCINPEC and other parties to vote to waive parliamentary immunity from Prince Sirivut.

[Correspondent] At whom did communist Vietnam and the one-eyed Hun Sen aim this time?

[Khieu] Like before, the communist Vietnam and Hun Sen created a diversion by causing alarm at one end so that they could attack from the other end. Whom did they aim at?

1. The FUNCINPEC party in an attempt to completely eliminate it.

2. The Khmer Nation Party of His Excellency Sam Rangsi. They have already given the party a warning.

3. The Buddhist Liberal Democratic Party of His Excellency Son Sann. They used Ieng Muli as a puppet to wrest control of the party from His Excellency Son Sann, who kept trying to hold on to it. They used the communist Vietnamese sappers to throw grenades at and to beat up members of this party to keep them from attending its congress. The party refused to budge and went ahead with its congress. So, they gave it another warning.

4. This was also part of their preparations for their farcical elections in 1998.

5. It was another bid to intimidate the royal palace which they have bullied constantly. As a matter of fact, this intimidation can be linked to the threat and pressure Le Duc Anh has put on his majesty the king to visit Hanoi.

6. It was also a threat, intimidation, and warning to political figures and the press.

One thing that each Cambodian should keep in mind clearly is that this incident is not the last. There will be many more like it, whether grievous or happy ones, for all of them will stem out of communist Vietnam's strategy of snapping at and swallowing up Cambodia.

[Correspondent] How did the ambassadors of the Western powers and representatives of the so-called human rights and international organizations react to this incident?

[Khieu] As always, these people dare make not even a single move.

[Correspondent] What does this incident show?

[Khieu] It is clear, unequivocal, undoubtable.

1. It shows that the two heads have been writhing in pain and grasping for breath.

2. Communist Vietnam and its puppets and stooges Hun Sen, Chea Sim, Sar Kheng are prepared to kill, without exception, any Cambodian who refuses to be a lackey of communist Vietnam or of its puppets. The constitution, monarchy, king, rights, freedom, democracy, and multiparty system do not exist. There are only black-toothed communist Vietnam and its puppets and lackeys who are utterly despotic, dictatorial, and fascist in all fields and sectors.

3. Those in the alliance do not give a hoot if Cambodians die, for they are brownnosing communist Vietnam and conniving with it to kill Cambodians so that they can scramble for gains from their blood and bones.

4. We now at the turning point. We must choose the path that will allow us as well as our nation and race to survive. Cambodians have no other choice. There is only one way out: join hands with the entire nation and all of its people and unite with the entire nation and all of its people to wage a struggle under all forms to end the war of the communist Vietnamese aggressors, topple the puppet regime of communist Vietnam, and set up a national regime in which all national forces can participate in running a Cambodia that is independent, sovereign, unified, peaceful, and neutral with all of its territorial integrity, except with the five top traitors — namely: 1) Hun Sen, 2) Chea Sim, 3) Sar Kheng, 4) Heng Samrin, and 5) Tie Banh.

Sirivut Moved To 'More Comfortable Place'

BK2411105695 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 24 Nov 95 pp 1, 2

[Report by Vichet]

[FBIS Translated Text] The accused Prince Kromkhun Sirivut is now detained temporarily at the Interior Ministry after being locked up in the First Prison [T3] for more than six hours.

A source close to Second Prime Minister Samdech Hun Sen said the transfer of Kromkhun Sirivut from the T3 Prison of Prince to a more comfortable place was done after Samdech Hun Sen's personal intervention.

The same source added that on 21 November Samdech Hun Sen was upset with the Interior Ministry, which had not intervened in a timely fashion, to prevent the

Phnom Penh Court from issuing an order to detain Prince Kromkhun in T3 Prison.

It is worth recalling that on the morning of 21 November, the National Assembly voted 105-0 to strip Prince Kromkhun of his parliamentary immunity so as to allow the Phnom Penh Court to take action according to the law. Shortly after the assembly's unanimous vote, National Assembly Chairman Samdech Chea Sim sent a letter to the Phnom Penh Court prosecutor, saying "The National Assembly has already voted unanimously to lift the immunity of MP Prince Kromkhun Norodom Sirivut. The court can now take action according to its procedures." [passage omitted]

Prince Kromkhun Sirivut has been accused since the arrest warrant was issued. The transfer of the prince to the T3 Prison took place at 1500 on 21 November, under the competent authorities' tight security. [passage omitted]

A senior police officer, who demanded anonymity, said with the approval of the Phnom Penh Court, the judicial police moved Prince Kromkhun Norodom Sirivut from the T3 Prison at about 2100 on 21 November. The prince is now being detained in an appropriate room at the National Police Department in the compound of the Interior Ministry.

Hun Sen Says Assassination Plot 'Very Big'

BK2511090995 Hong Kong AFP in English 0648 GMT 25 Nov 95

[FBIS Transcribed Text] SVAY PRATEAL, Cambodia, Nov 25 (AFP) — Cambodia's co-Premier Hun Sen said Saturday that there were still threats to his life in his first public comments since Prince Norodom Sirivut was arrested on charges of plotting to assassinate him.

"I feel that the plot to kill me has not ended," the second Prime Minister, who was shadowed closely by about 50 heavily armed soldiers and bodyguards, told villagers in this small river town 40 kilometers (24 miles) southeast of Phnom Penh.

Hun Sen tearfully asked that if he was killed, his body be brought to a nearby temple for cremation. "I say this because the plot to kill me is very big," he said. He made no mention of who the other plotters may be.

Hun Sen, who had not appeared in public since announcing he had evidence of a plot against him 11 days ago, demanded the arrest of Prince Sirivut on November 17 after hearitape of a telephone call in which the prince allegedly says: "I will kill Hun Sen."

The prince, who has denied any wrongdoing, was placed under house arrest on November 18 and formally charged under laws prohibiting terrorism, criminal conspiracy and attempts to "destroy" the government four days later.

He is now in custody at the Ministry of Interior pending an investigation that could take up to six months and faces life in prison in convicted.

Prince Sirivut's arrest has engulfed the capital in a crisis of political uncertainty as the king is known to have opposed the prince's jailing and many analysts have said the arrest proved that Hun Sen has taken full control of the country.

But Hun Sen said he was not behind the action taken against the prince.

"I am not the plaintiff in this case," he told the crowd that had gathered for a groundbreaking ceremony for a new road he is funding.

"The plaintiff is the Royal Government and the authorized ministries. I am a victim because some people wanted to kill me."

Hun Sen added that the relationship between FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] and his formerly communist Cambodian People's Party (CPP) had remained strong in spite of last week's events.

"The relationship between FUNCINPEC and the CPP is not bad, it is still very good," he said, thanking First Prime Minister Prince Norodom Ranariddh, the public face of FUNCINPEC and Prince Sirivut's half-nephew, for supporting him.

Hun Sen also said that the CPP continues to support the royal family even though two of its members have been implicated in allegedly trying to bring down the government in the past 16 months.

"This is not the first time that events such as these have happened in the royal family," he said, referring to Prince Norodom Chakkrapong, one of the king's five surviving sons, who is now living in exile for his role in a failed 1994 coup attempt.

Hun Sen said the king was not opposed to bringing the guilty to justice.

"He respects the law and the Constitution.

Chea Sim Says Assembly Acted Constitutionally

BK2511152695 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 25 Nov 95

["Statement Issued by Samdech Chea Sim, Chairman of the National Assembly of the Kingdom of Cambodia" in Phnom Penh on 25 November — read by announcer]

[FBIS Translated Text] On behalf of the National Assembly of the Kingdom of Cambodia, I would like to declare publicly that the decision to lift the immunity of Prince Kromkhun Norodom Sirivut, MP of Kompong Cham Constituency, at the fifth session of the National Assembly's First Legislature on the morning of 21 November 1995 was decided unanimously with 105 votes cast in favor by the 105 MP's present. This decision was handed down correctly in accordance with the existing law, specifically Article 80 of the Kingdom of Cambodia's constitution.

Whether Prince Kromkhun Norodom Sirivut is guilty or not is the decision of the Judicial Branch. Those who have unfairly accused the National Assembly of violating the constitution should have the courage to acknowledge that the 105 MP's present at the assembly session on the morning of 21 November 1995 also have sufficient freedom, good judgment, and justification to determine what is lawful and what is unlawful.

Phnom Penh, 25 November 1995

Government Denies Transfer of Codefense Ministers

BK2411080795 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 24 Nov 95 p 1

[Statement issued by the Royal Government of Cambodia in Phnom Penh on 21 November]

[FBIS Translated Text] Reports have been circulated lately that the codefense ministers will be transferred.

The Royal Government of Cambodia [RGC] wishes to confirm to the compatriots and the international community that the codefense ministers will not be transferred as reported.

Their excellencies the codefense ministers are currently carrying out their duties effectively for the RGC and the country.

Phnom Penh, 21 November 1995.

Khmer Rouge Official on CNUP Foreign Policy

BK2211045595 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 21 Nov 95

[Interview with Chan Youran, deputy prime minister, minister of foreign affairs, and minister of the defense of national culture, literature, and customs of the Provisional Government of National Union and National Salvation, by unidentified correspondent; place and date not given — recorded]

[FBIS Translated Text] [Correspondent] Greetings, Your Excellency. You are deputy prime minister, minister of foreign affairs, minister of the defense of our national culture, literature, and customs, and a member of the committee that set up the Cambodian National Union Party [CNUP]. Please tell us in detail about the CNUP's foreign policy.

[Chan] Thank you for asking this question. Before telling you about the CNUP's foreign policy, I would like to refresh your memory regarding the following:

1. The CNUP is a part of the Cambodian nation and people. Its ideal — its political objective — is to achieve the great national union of all of Cambodia. It is in this spirit that the CNUP has developed a fundamental political platform with four chapters.

The first chapter deals with the CNUP's fundamental goal. The second deals with the CNUP's policy regarding politics, national construction and its political position regarding each level of the Cambodian people and on a number of issues, such as land, taxes, and corruption. The third chapter deals with foreign policy. The last chapter concentrates on the CNUP's national defense policy. Therefore, the CNUP's foreign policy is merely a component of its fundamental political platform.

2. The essence of the CNUP's foreign policy, like the essence of its domestic and national defense policies, reflects the profound and sacred aspiration of our Cambodian nation and people. This profound and sacred aspiration arises from the real situation in Cambodia and from the valiant, courageous, and clever struggle waged by generations of our nation and its people. This is a desire for the protection and perpetuation of our race and for the right of our people to live happily in a great national union, regardless of political colors and shades, within the framework of an independent, sovereign, unified, peaceful, and neutral Cambodia that has complete territorial integrity.

[Correspondent] Thank you, Your Excellency. Would you please describe the essence of the CNUP's foreign policy?

[Chan] The essence of the CNUP's foreign policy, as I have told you before, can be summed up in the firm and resolute faith of all our compatriots both at home and overseas. Our entire nation and all of its people are waging a highly heroic struggle to implement this policy against the communist Vietnamese regime and the regime of the traitorous two heads, who are supported by bellicose warmongers bent on continuing the war against our nation and race. Therefore, the essence of the CNUP's foreign policy can be summed up as follows:

1. The Cambodian nation and people have every right to live in an independent, sovereign, unified, peaceful, and neutral Cambodia that has complete territorial integrity.

2. Our nation and people do not permit any foreign military bases to be located on Cambodian soil and do not accept the presence of Cambodian troops in foreign territory.

3. Our nation and people respect the United Nations Charter, the principles of nonalignment, and the five principles of peaceful coexistence.

4. Our nation and people respect international laws and abide by all international treaties and agreements signed by Cambodia, except during the period Cambodia was invaded and occupied by the Vietnamese aggressors.

5. As for the treaties and agreements that the regime installed by the Vietnamese aggressors have signed with communist Vietnam and other countries, they must be considered null and void because they constitute an undeniable violation and infringement of international laws and Cambodia's sovereignty.

In this context, I would like to stress that all acts of parceling off and carving up Cambodia's land and waters, perpetrated either between the Vietnamese aggressors and their puppets or by the Vietnamese aggressors alone, constitutes a violation and infringement of Cambodia's territorial integrity; therefore, they must be considered null and void. The Vietnamese aggressors must restore Cambodia's territorial integrity in accordance with the pre- 1970 official map.

[Correspondent] What is the CNUP's policy toward ASEAN and neighboring countries?

[Chan] The CNUP wishes to see Cambodia become a member of the Association of Southeast Asian Nations or ASEAN. Cambodia, as defined in the CNUP's political platform, is a truly independent, sovereign, unified, and peaceful state. It is a truly neutral and nonaligned Cambodia, with its territorial integrity completely intact. It is not a Cambodia under the regime of the traitorous two heads, who have sold the country to communist Vietnam and the alliance, as it is now.

We have a policy of coexisting in peace, friendship, and cooperation toward our neighbors, without interfering in each other's internal affairs and on the basis of the five principles of peaceful coexistence. Moreover, we open our doors to economic, commercial, cultural, scientific and technical, and other contacts and cooperation with all countries in the world on the basis of mutual respect and reciprocal benefit.

Khmer Rouge Reportedly Fire Rocket Into Town

BK2511093695 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 25 Nov 95 pp 1, 5

[Report by Stoeng Khiev]

[FBIS Translated Excerpt] On the night of 22 November, Khmer Rouge rebels fired an H-107 rocket into Battambang provincial town, wounding two residents.

At about 1830 that night, rebels fired a rocket from an area southwest of the town. The rocket, which landed on the side of a house, No. 223, group 6, Rumchek 4 village, Ratanak commune, Svay Pao District, wounded a man and a woman and damaged an upstairs bedroom.

Battambang Province police believed that the rocket was fired from an area in Banan District because the Khmer Rouge have recently concealed ammunition and mines in the locality. [passage omitted]

Indonesia

Bosnian Peace Treaty 'Spectacular Breakthrough'

BK2311093895 Jakarta KOMPAS in Indonesian 23 Nov 95

[Editorial: "Can the Bosnian Peace Treaty be Implemented?" — received via Internet]

[FBIS Translated Text] There have been positive reactions to the Bosnian peace treaty, but a big question mark also hangs over the realization of the treaty signed in Ohio, the United States on Tuesday.

The essence of the treaty is the division of Bosnia-Herzegovina into two parts — the Muslim-Croat Federation and a Bosnian Serb republic. The important parts of the treaty are the placing of Sarajevo under Bosnian Government control, free elections, and repatriation of refugees.

The difficulty in getting a signed treaty was reflected in the 21 days of tough talks at the U.S. military base in Dayton, Ohio. Initiated by the United States, Russia, France, Britain, and other big powers, the talks proceeded without a break and sometimes faced a deadlock.

Thus, it is proper to consider the Ohio treaty a spectacular breakthrough, although its prospects remain unclear. Nevertheless, it represents impressive progress in view of the complexity of the Bosnian issue.

People greatly appreciate the Ohio treaty because it has been very difficult for the warring Balkan leaders to reach a compromise. The sharp conflict of interests made it difficult for them to cooperate to end the war. Various attempts for peace and cease- fires have virtually failed.

Although the treaty is still on paper and the shadows of failure loom large, it has been regarded as the optimum outcome of the various efforts.

The treaty has raised the hope that the 43-month Bosnian conflict will be settled. The tiring conflict has left 250,000 people dead and triggered waves of refugees over the past four years.

The next step is how to render the treaty effective and operational. The depressed international community strongly hopes for an immediate end to the Balkan tragedy, which as a human tragedy has indeed shocked the world community.

Over the past 43 months, people have been aware of its uncontrolled brutalities, rapes, and tortures from television, radio, or the printed media almost every day.

Truly, it is difficult for common sense to come to terms with the ethnic cleansing perpetrated by Bosnian Serbs against Bosnian Muslims. The brutalities sound more horrifying because they occured in Europe, one of the centers of world civilization.

The Bosnian issue is very complex in view of history of the Balkans. The region has been widely known as a war theater, where wars have taken place in succession. Its image as disorderly has given rise to the term "balkanization" in political vocabulary, or the notion that the Balkans is Europe's powder keg and can easily explode.

The complexity is further amplified by the difficult terrain of Bosnia-Herzegovina or the entire Balkans region. Military or security operations to end various armed conflicts are uneasy tasks. It has been often said that Hitler's forces were unable to penetrate the Balkans during the Second World War because of its difficult terrain.

Considering various factors and the dimensions of the crisis, the Western community is basically reluctant to fully play its role in settling the Bosnian crisis. NATO forces have confined their involvement to air strikes that have only limited results.

The Bosnian issue exploited primordial sentiments that eventually degenerated into a prolonged conflict. A military approach will evidently not guarantee a solution. Various parties believe that the Ohio treaty has opened better opportunities for the settlement of the Bosnian issue. Now, how will the Croat, Serb, and Muslim leaders in Bosnia-Herzegovina honor the treaty?

The leaders and people there need to exercise self-restraint if they want a better and calmer situation. The Balkan people themselves must govern and develop independently for the sake of their own progress. Hostilities, conflicts, and war will only destroy themselves. There will be no winners or losers.

The Ohio treaty should serve as a momentum to end the Bosnian conflict, which has been regarded as Europe's bloodiest war in the past 50 years.

A severe test for the Balkan and international communities will be how to realize the peace treaty, which NATO will help implement by mobilizing 60,000 soldiers.

It will be definitely difficult to mobilize troops because various NATO members seem reluctant to send any to the difficult terrain of the Balkans. U.S. President Bill Clinton, for example, must be able to convince Congress of the importance of sending a contingent of 2,000 soldiers there. Russia has also shown its hesitancy.

Looking at the history of Balkan conflicts, there is anxiety over the possibility of Serbia annexing Bosnia-Herzegovina and Croatia after NATO forces are withdrawn. There are still many questions left, including the repatriation of refugees and war crimes. Indeed, there will be difficult challenges ahead. The Bosnian issue remains an interesting one.

Third Talks Between Philippines, MNLF Begin

BK2711092595 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 27 Nov 95

[FBIS Translated Text] The third round of peace talks between the Philippine Government and the MNLF [Moro National Liberation Front] resumed in Jakarta today. Foreign Minister Ali Alatas opened the five-day talks, aimed at solving the Moro people's 23-year struggle for autonomous rule in the southern Philippines. Correspondent Ahmad Muslih reports:

[Begin Muslih recording] In his welcoming speech as chairman of the meeting, Foreign Minister Ali Alatas said the second round of talks in September 1994 reached agreement on 80 percent of the issues discussed by the two sides, including the consensus reached by the committees on education, economic and financial systems, mining, justice, and Islamic law. The committees on national defense, regional armed forces, representation in national government, and legislative and executive councils also reached a basic consensus.

Praising the achievements reached by the two sides, Foreign Minister Alatas reminded the delegates that 20 percent of the issues are still unresolved. These are considered the most delicate issues and require the cooperation of both sides. The unresolved issues include the structure and mechanism to implement the agreement and the mechanism to establish the provisional autonomous government. Another issue is the establishment of the special regional armed forces. Alatas said Indonesia, in its capacity as a neighboring country and chairman of the Sixth Ministerial Committee of the Organization of the Islamic Conference [OIC], is always ready to extend assistance to make the talks a success.

Meanwhile, in his official statement issued by the Malacanang presidential palace yesterday, Philippine President Fidel Ramos expressed optimism that a peace accord will be achieved at the third round of talks in Jakarta. President Ramos expressed his determination to make the current Jakarta talks a success after two years of talks.

At the opening of the third round of talks, also attended by an OIC representative, MNLF Chairman Professor Nur Misuari called on the Philippine Government to adopt a sincere and fair stand on the situation in the southern Philippines and try to reach a lasting peace with the MNLF.

Speaking yesterday, Lukman Harun, a member of the Executive Committee of Indonesia's Muhammadiyah Islamic group, said autonomy for the 13 provinces in the southern Philippines is the most delicate topic in the current peace talks in Jakarta. Lukman Harun called on the two sides to reach a compromise because the talks in Jakarta will be decisive. If they fail, the two sides may go to war again. [end recording]

Military Patrols Roads After Anti-Chinese Riots

BK2511113995 Hong Kong AFP in English 1126 GMT 25 Nov 95

[FBIS Transcribed Text] JAKARTA, Nov 25 (AFP) — The Central Java town of Pekalongan was calm but tense Saturday after three days of rioting by thousands against the minority ethnic Chinese, sources said.

"Many stores are still closed. The military is still seen patrolling the streets," a source, who declined to be identified, told AFP by telephone from Pekalongan. Some local Chinese opted to stay in hotels, afraid of being hurt in their homes, the source said.

The military headquarters in the Central Java province capital Semarang described the situation as calm.

Thousands of people took to the streets of Pekalongan, 325 kilometres (200 miles) east of Jakarta, Wednesday after rumors that an ethnic-Chinese man, allegedly mentally disturbed, tore pages out of the Koran, Islam's holy book, the daily Republika reported.

The mob damaged stores and vehicles believed to belong to the town's Chinese population.

Sporadic unrest continued Thursday with scores of people leaving a mosque after Friday prayers to stone shops, The Jakarta Post daily reported.

Central Java Military Chief of Staff Joko Subroto appealed for restraint of the Muslim community.

"The man was of unsound mind and his family was not aware of his behavior ... Don't be easily provoked by malicious rumors," Brigadier General Subroto said in Pekalongan.

Almost 90 percent of Indonesia's 195 million inhabitants are Muslim. Most of the country's ethnic Chinese, who comprise about three percent of the population, are either Christian or Buddhist.

The number of people hurt, or the amount of damage in the riots was not immediately known.

ABRI Department: Four GPK Members Arrested

BK2511144895 Jakarta KOMPAS in Indonesian 25 Nov 95

[Unattributed report — received via Internet]

[FBIS Translated Text] Jakarta, KOMPAS — The fate of the residents of Ikcan Baru Village, Warpoko District, Merauke, Irian Jaya, who were abducted a few days ago by a group of the Security Disturbance Movement (GPK), remains unclear. The security apparatus, which has been searching for them since the middle of November, has arrested four GPK members.

Brigadier General Suwarno Adiwijoyo, head of the ABRI [Armed Forces of Indonesia] Information Center, returned from Timika, Irian Jaya, on Friday (24 November) reported this when asked to comment on the issue.

Suwarno said that according to the report that the 8th Trikora Military Regional Commander Major General Danuja D. issued to Armed Forces Chief Feisal Tanjung in Timika yesterday, only one of the group has died. He was Panujianto B.E., an employee from the Technical

Construction Directorate headed by the Bina Marga director general.

Responding to a question regarding the number of villagers who had been 'abducted' by the GPK, he said the issue was still being closely monitored. In response to a question from KOMPAS: "Is it true that about 30 families or around 200 persons were abducted?", the ABRI Information Center chief reiterated that the number was not that high.

In a similar report carried by ANTARA (Wednesday 22 November), R. Sukarjo, the Merauke District chieftain stated that about 200 persons had been abducted. He added that he had no knowledge of the fate of the 200 residents.

Asked about the situation of those 'abducted' by the GPK, the ABRI Information Center chief stated that he still did not know the actual situation. He added that he was still in the dark on whether the 'abducted' persons were already in a territory within the Irian Jaya-Papua New Guinea border. He said: "The report, which was issued by the local regional commander only stated that the security apparatus had arrested four GPK members. The other GPK members will surely panic and try to safeguard themselves upon hearing this news."

Difficult To Counter

Speaking to reporters in Timika, the ABRI Information Center chief said it was difficult to eliminate the existence of the GPK in Aceh, East Timor and Irian Jaya, despite the inclusion of the new generation of ABRI personnel who were trained abroad.

The continuous existence of the separatist movement, which wants an autonomous district or island, is the old generation's goals being passed on to the new generation. He said: "This is being carried out in their small numbers and puny strength." The information chief admitted that it would be difficult for ABRI to totally eliminate the GPK. He said looking at the Republic of Indonesia's history since independence, there were groups of people who clamored for regions from Sabang to Meruake to be made autonomous. He said: "There are others who only want their own island or their own race to be separate from Indonesia. This is how the GPK, and other clandestine movements, manage their continuous existence. Actually, their numbers are insignificant. The issue only appears to be serious because it has been highlighted."

Laos

'Press Release' on Border Commissions' Meeting

BK2311040395 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 22 Nov 95

["Press release" on the first consultative meeting held 20-22 November between the Lao-Cambodian and Cambodian-Lao border commissions; issued in Vientiane on 22 November]

[FBIS Translated Text] 1. Fulfilling the spirit of the 8 June 1995 talks between the president of the Lao People's Democratic Republic [LPDR] and his majesty the king of the Kingdom of Cambodia, and relying on the memorandum of the second meeting of the Lao-Cambodian joint committees held in Phnom Penh 15 July 1995, the Lao-Cambodian border commission led by His Excellency [HE] Phongsavat Boupha, deputy minister of foreign affairs, and the Cambodian-Lao border commission headed by HE Uch Kim-An, deputy minister for foreign affairs and international cooperation, held their first meeting at the LPDR Foreign Affairs Ministry in Vientiane on 20-22 November.

2. The head of the Lao border commission and the head of the Cambodian border commission expressed appreciation for the constant development of bilateral relations, friendship, and cooperation, both at the central and local levels, which is bringing actual benefits to the two countries' peoples.

The two sides noted that the provisional agreement on Lao-Cambodian border regulations signed in Phnom Penh on 15 July 1995 by LPDR Foreign Affairs Minister Somsavat Lengsavat and HE Ing Huot, minister of foreign affairs and international cooperation of the Kingdom of Cambodia, constituted an important step in creating favorable conditions for mutual visits between the people living along the border of the two countries and in reaffirming the unanimity of the two sides in developing the Lao-Cambodian border into a border of genuine peace, friendship, and cooperation.

The two sides unanimously agreed on the principles for holding consultations on border issues between the two countries, including technical methods to resolve border issues and establish technical border committees for the two sides to carry out actual surveys of areas along the border.

The two border commissions agreed to hold meetings alternately in each other's country in order to achieve progress toward signing a border treaty and to demarcate and establish border posts along the entire common border.

The two sides consulted, exchanged views, and drew lessons from each other on border work in an atmosphere of intimacy, profound understanding, and good neighborliness.

During the visit to Vientiane, the head of the Cambodian border commission paid courtesy calls on Foreign Affairs Minister Somsavat Lengsavat and HE Khamphoui Keoboualapha, deputy prime minister and chairman of the LDPR Committee for Planning and Cooperation.

The meeting took place in an atmosphere of warm friendship from beginning to end.

[Dated] Vientiane, 22 November 1995.

Border Security Discussed With Chinese Police

BK2111114995 Vientiane KPL in English
0916 GMT 21 Nov 95

[FBIS Transcribed Text] Vientiane, November 21 (KPL) — Lao security police of the three northern provinces of Phongsaly, Oudomsai and Luang Namtha last week met in Yunnan with the armed border police of Yunnan Province's Simao police headquarters.

In the six-day meeting, the two sides discussed and evaluated the implementation of the agreement on common border regulations dated December 3, 1993, and reviewed the implementation of the second memorandum dated December 1, 1994, between the Lao police of the three northern provinces and the Chinese border police in the area sharing a border with Laos.

Through exchanging ideas, the traditional friendship and cooperation between the two police forces has gradually strengthened. The people along the common border also have begun to observe border regulations to the satisfaction of both sides.

However, the two police forces pledged to continue their cooperation on border security and to educate the people along the border to make the Lao-Chinese border a border of permanent peace, friendship and cooperation.

The Lao police delegation, led by Lieutenant Colonel Khamsan Khounsomheuang, chief of security headquarters of Phongsaly Province, was received by Special Colonel Joyouphong, chief of the armed police force of border security of Yunnan Province and his delegation from November 10 to 15.

Philippines

Rebel Chief Nur Misuari Warns of Muslim Threat

BK2711062395 Hong Kong AFP in English
0547 GMT 27 Nov 95

[FBIS Transcribed Text] MANILA, Nov 27 (AFP) — Radical Muslim groups would pose a growing threat in the Philippines unless a Muslim autonomous region was established in southern Mindanao island, a Muslim insurgent leader warned Monday.

Nur Misuari, chairman of the Moro National Liberation Front (MNLF), the main Muslim insurgent faction engaged in peace talks with the Philippine government, said in a radio interview here that the radical Muslim groups could "upset" peace in Mindanao if full autonomy was denied.

"Within three years the 'baby' will become very big already ... the baby is the Abu Sayyaf and the Islamic Command Council and there could be other 'invisible' groups. If we give them time these may upset everyone," Misuari said on Manila's DZXL radio.

Misuari is in Jakarta to begin a crucial round of talks with Manila aimed at ending 20 years of bloody conflict in the south, which has been plagued in the past few years with attacks from Muslim extremists.

The success of the talks, however, are hinged on the resolution of two contentious issues: The establishment of a Muslim autonomous region and the allocation of revenues to the region, Misuari said.

The MNLF is pushing for full autonomy in all 13 provinces and nine cities in the south but the government insists that a plebiscite will have to be held to let the people in these areas decide.

As a compromise Manila has asked Misuari to run as governor of an existing Muslim autonomous region, comprising four provinces, in elections in March 1996.

However, Misuari considered the elections a "deviation" from a 1976 Libyan-brokered peace agreement between Manila and the MNLF that formally ended a bloody separatist bid by the MNLF.

"The Tripoli agreement is a binding international agreement. Therefore any deviation from the Tripoli agreement, we cannot accept," Misuari said.

He added that a Muslim autonomous region under the Tripoli agreement "can stand on its own" compared to the present autonomous region which has "no force, no power and no resources" and "cannot solve the problems of Mindanao."

Troops in Mindanao have been placed on full combat alert to prevent rebel groups from sabotaging the peace talks.

There have been unconfirmed reports that 100 unidentified armed men had landed on the coast of the southern city of Zamboanga and that another Muslim separatist group, the Moro Islamic Liberation Front (MILF), would try to attack key cities in Mindanao.

But Misuari was not worried about such attacks, although he warned that the MILF may pursue another "option" if full autonomy was not granted.

"We have a firm agreement with all of those brothers especially the MILF. They have said that our understanding should be clear and unmistakable that the MNLF will not settle for anything short of the full implementation of the Tripoli agreement ... and if we cannot get that, the MILF will return to its own option," Misuari said.

Misuari welcomed the support for the talks from the European Union, the United States and Japan, which promised aid in rehabilitating the war-weary southern Philippines.

"This is a manifestation of the wisdom of President (Fidel) Ramos in anchoring the peace process on an imperative need for the economic development of Mindanao," he said.

Bomb Explodes in Zamboanga City Building

BK2711052695 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0504 GMT 27 Nov 95

[FBIS Translated Text] A bomb exploded this morning in the Sampaguita Shipping Lines building in Zamboanga City.

According to Police Director Superintendent Demetrio Maylas, a high explosive made from a C-4 plastic exploded at 1 A.M.

Zamboanga has been placed on red alert since Saturday due to the peace talks between the government and Moro National Liberation Front which begins today in Jakarta, Indonesia.

No one was injured in the blast.

Thailand

Prospects for Investment in PRC Reported

BK2311060095 Bangkok BAN MUANG in Thai 21 Nov 95 p 6

[Unattributed report]

[FBIS Translated Text] Phiphat Aneksiriphong, manager of the representative office of the government-owned Krung Thai Bank in Kunming, disclosed that prospects for investment in the service sectors of Yunnan is favorable because the tourist industry is still the major source of revenue in the southern Chinese province.

The Thai Consulate General in Kunming reported that Yunnan's tourist industry continues to grow at an annual rate of 30 percent. Thai entrepreneurs are currently operating five hotels in the city. The booming tourist industry seems to be the only definitive success of the Quadruple Economic Development Program.

In addition to the tourist industry, investment in medical and health care services also looks promising, as the climate in Yunnan is rather cold the entire year. Investment in the production of consumer goods should be profitable. The Chinese are now becoming big spenders because they did not have many opportunities to spend their money during the past 30 years.

China is in the process of industrial development and intends to rely on foreign technologies. For this reason, investment opportunities in China, especially in the southern part of the country, are still open for Thai investors.

According to a report from the Thai Consulate General in Kunming, 58 private Thai companies have entered into joint ventures worth $153.20 million in Yunnan Province through the end of this year. Of this figure, $86.9 million is money brought into the province by Thai investors.

The problem now confronting Thai investors in Yunnan is the scarcity of Thai financial sources because the Thai Government has imposed restrictions on credits for investment in foreign countries. The new regulation is not retroactive, however; therefore, it has not affected investment projects launched in the province earlier.

Moreover, information on investment in China is incomplete. Charoen Pokkhaphan Group and Bangkok Bank have most of the information thus far. Investors who want to invest in China, Yunnan included, must first spend a great deal of time studying the ever- changing and dubious regulations and laws.

The only convenient mode of travel and transportation is by airplane. Some Chinese and Lao entrepreneurs have just opened waterway transportation services. Phiphat noted that investment in China is not as convenient as in Burma or Laos.

Thanat Quits Drug Panel, Khanit To Follow

BK2511091995 Bangkok BANGKOK POST in English 25 Nov 95 pp 1, 3

[Unattributed report]

[FBIS Transcribed Text] The chairman of a panel set up to probe U.S. allegations of drug trafficking by some Thai politicians resigned yesterday saying his job on the committee had come to an end.

Former foreign minister Thanat Khoman's resignation comes amid allegations the Government-appointed inquiry commission is merely a political tool.

Mr. Thanat will remain in his position until the middle of next month when his successor is appointed.

And another panel member, attorney-general Khanit Na Nakon, is also soon expected to follow suit.

Mr. Khanit said he believed the complaints of Mr. Narong Wongwan and Mr. Watthana Atsawahem should not be considered by the inquiry commission, but should be brought to the court.

Mr. Khanit says he feels his position as attorney-general is compromised by his being on the panel.

When he handed in his resignation Mr. Thanat told the panel he had finished most of the task entrusted to him — which was to protect the dignity of the Thai people and the country against unsubstantiated foreign allegations.

He later said he had laid down the panel's operational structure with the formation of a sub-committee to receive complaints from people facing the drug allegations.

The sub-committee, he said, has received some complaints and would eventually rule on whether they are grounded. They would then make recommendations to the inquiry commission.

The inquiry commission yesterday accepted the complaints lodged by the two Chat Thai MPs against U.S. allegations accusing them of links to drug trafficking.

The case was passed to the sub-committee which will summon evidence from the Police Department, the Office of Narcotics Control Board and other related governmental agencies.

Mr. Thanat said he had been asked by Prime Minister Banhan Sinlapa-acha to stay on until the middle of next month when his successor is expected to be appointed.

He said:

"He (Mr. Banhan) will be able to find a new chairman. Ayutthaya is never short of good people.

"And I don't need to offer my recommendation to the Prime Minister about who is appropriate for the post because he knows more people than I do."

Asked whether he was duped into trying to clear the two Chat Thai MPs of the drug charges, Mr. Thanat said he was not a person who was easily fooled.

As a Thai jurist, he said he found it was an obligation to protect the dignity of Thailand and its people against loose allegations .

Asked if there were any more reasons for his resignation, he said:

"My job was finished so what was the point for me to stay on to waste the Government's budget.

"The Government paid me every time I chaired the commission meeting. The money would be better spent helping flood victims."

Mr. Thanat said there was a misunderstanding about his role in the United Nations when he delivered a speech at a meeting during the General Assembly this month.

He had already explained to the Prime Minister that when he gave the speech he was there to represent Thailand not the Thai Government, he said.

The Prime Minister, said Mr. Thanat, offered an apology for having misunderstood him.

Regarding the complaints of Mr. Narong and Mr. Watthana the ex- foreign minister said the issue could be settled without embarrassing any parties concerned.

"The sub-committee investigating the case will submit its findings to the inquiry commission which will then report to the Prime Minister who will have to make the final decision," he said.

"If the allegations are unfounded, then the Prime Minister will have to say so. .

"And if anybody claims to have the evidence, they must produce it otherwise the accused will be regarded as not guilty," said Mr. Thanat.

He said so far the panel had not received any evidence to support the allegations.

Mr. Thanat said he did not regret taking the job. Nor was he concerned with the criticism that he was being used by the Chat Thai Party to exonerate its two members.

The panel was open to complaints from other people facing loose foreign allegations aside from the two submitted by Mr. Narong and Mr. Watthana, he said.

He rendered his service, not for the Government, but for the country, he said.

And he said although the U.S. accused Thailand of being an attractive place for people wanting to launder drugs money, the major centres of laundering drugs money were in New York, Los Angeles, Texas and Miami.

The money laundered amounted to 175,000 million baht, he claimed, adding that according to the U.S. customs report, over 105 American companies were suspected of laundering drug money.

Meanwhile Mr. Khanit has said he will not quit the panel, but would prefer the Prime Minister to decide for him because he was appointed to the panel by the Prime Minister in the first place.

But a source said Mr. Khanit would soon be allowed to quit the panel.

Mr. Khanit was the only dissenting voice when the commission yesterday voted to accept the two complaints for consideration.

As attorney-general, he said if the case was to go ahead in the normal judicial procedure he would decide whether the case should be dropped or should proceed the court.

Since his role as a member of the panel was conflicting with his role as attorney-general, he said he hoped the Prime Minister would decide what to do about him.

Another panelist, Mr. Charan Phakdithanakun, yesterday said the new chairman should not be an active Government official — otherwise he would be seen as subjective to Government control.

He suggested someone politically neutral should be appointed to give the panel "a positive image."

The secretary-general of Judicial Affairs said he believed the inquiry commission could carry on its work even without Mr. Thanat.

The commission would not rule on whether the two accused MPs are guilty or not guilty, but would rule on whether the allegations are substantiated enough to justify sending the case to court, he said.

Daily Doubts Khun Sa Retirement Announcement

BK2511143395 Bangkok THE NATION in English 25 Nov 95 p A4

[Editorial: "The World Is A Stage For Drug Warlord Khun Sa"]

[FBIS Transcribed Text] On Wednesday, drug kingpin Khun Sa claimed to have stepped down once and for all as leader of the Mong Tai Army, which is fighting for Shan self-determination. Many, however, are sceptical over his move because he has never been known to match his words with deeds.

While there is a real likelihood that Khun Sa will step back, doubts remain whether the Shan leader will step down fully. The Mong Tai Army is essentially the creation of Khun Sa, and many senior cadres in the organization owe their position and wealth to the drug warlord.

While his position has been weakened by the defection in June of some of his troops to the Burmese military regime, the State Law and Order Restoration Council (SLORC), Khun Sa still has a strong core group that is very well armed and could thwart any rebellion within the ranks of the separatists.

The existing power structure and hierarchy of the Mong Tai Army ensures that Khun Sa will still be able to exert ideological influence among the Shan fighters.

For Khun Sa, the world has always been a stage. Right now, he sees himself as a leading actor in a new drama where he wants to portray himself as a nice guy. That drama is about opium, and Khun Sa wants the United States to be convinced that he and his men never grew the narcotic drug themselves and merely taxed it as convoys moved across their territory in a bid to transport the opium to distribution centres in neighbouring China and Thailand. The taxes, Khun Sa argues, were necessary to fund the aspirations of a separate Shan state through an armed struggle against the Burmese military regime.

Therefore, Khun Sa's announcement on Wednesday can be construed as a strategic move by the drug warlord to try to get into Washington's good books.

SLORC's propaganda that it has cornered the Shan, and for that reason Khun Sa is stepping down as leader of the Mong Tai Army, can be disregarded outright.

The Burmese army has been pathetic in its battle against Khun Sa's forces. The SLORC declared war on Khun Sa two years ago and brought in a number of divisions into his area. But the Burmese regime has been unable to capture him or his headquarters, nor cut his opium distribution system.

Early this year, SLORC was dealt a very embarrassing blow when Khun Sa's troops overran the town of Tachilek on the Thai-Burmese border and held it for a while. The Mong Tai Army later left without being driven out by the Burmese army. The SLORC as a fighting force is not very effective despite its size and sophisticated weaponry, and has a very poor record in the field against the minorities. Most of Rangoon's successes have come about as a result of ceasefire diplomacy between SLORC and leaders of the minorities, rather than straight battlefield victories.

Just how strong an influence SLORC will be on the breakaway group led by Khun Sa's enemies is anyone's guess. The rebels are about 3,000 strong and control a large area in the central part of Burma. So far, they have indicated some willingness to enter into a truce arrangement with Rangoon in exchange for Shan autonomy, coupled with a guarantee that they would be able to preserve and protect their controlled territories.

Khun Sa's greatest threat, however, is from the Wa, who have been fighting him recently on behalf of SLORC. In 1989, when these ethnic minorities made peace with Rangoon, SLORC promised them that they could continue their "economic activities" provided they gave up their armed struggle. These economic activities were an obvious reference to opium-growing.

Because of this, the Wa continue to grow and export their opium through China and Thailand. Essentially, regardless of whatever happens to Khun Sa, the world will still see the Golden Triangle as the largest producer of opium because most of it comes from the Wa state, or the area known as the Kokang, which is next to the Wa state in the Shan area.

The US, of course, after waging a long campaign against Khun Sa, will be watching events in the Shan state very closely. The only thing Washington is interested in now is getting its hands on the drug warlord.

Bearing in mind that there is an outstanding US indictment against him, will Washington offer SLORC some reprieve if the Burmese junta manages to capture Khun Sa and hand him over to the Americans? It remains to be seen if that will really happen.

In the meantime, there will be only ripples in Washington over Khun Sa's statements because he is still seen as a wily fox who manages to land on his feet no matter what happens.

Vietnam

New Zealand's Head Backs Hanoi's Regional Stance

BK2211010895 Hanoi VNA in English 1526 GMT 21 Nov 95

[FBIS Transcribed Text] Hanoi VNA Nov. 21 — The visiting Prime Minister of New Zealand Jim Bolger has expressed his support for Vietnam's stance on settlement of all differences in the region and the world at large through peaceful talks.

Jim Bolger told Vietnamese Party General Secretary Do Muoi who gave him a reception here this afternoon. He also expressed his pleasure at the immense development in the socio-economic sector as well as in international relations of Vietnam in recent years, which he was witnessing while in Vietnam.

Mr. Do Muoi thanked the prime minister and the Government of New Zealand for their willingness to broaden the Vietnam-New Zealand multi-faceted cooperation and their wish to help Vietnam to boost national development, especially in the areas where New Zealand has great potential.

The Vietnamese party leader also reaffirmed Vietnam's efforts to make positive contribution to realising the aspiration of all nations for respect of national independence and self-determination of each country, for elimination of nuclear weapons and war from social life and for a world of peace, cooperation and development.

PRC Envoy Interviewed on SRV-PRC Ties

BK2611071995 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Nov 95

[Interview with PRC Charge d'Affairs Ji Jianguo by unidentified Vietnamese correspondent; place and date not given — Ji Jianguo's speech in Chinese fading into Vietnamese translation]

[FBIS Translated Text] [Correspondent] Dear Comrade, Comrade Do Muoi, general secretary of the Communist Party of Vietnam will pay an official friendship visit to PRC soon. According to you, what is the significance of this event in the development of the SRV-PRC friendship relation.

[Ji Jianguo] China and Vietnam share the same mountains and rivers. The peoples in the two countries have cherished a time-honored friendly relation. Since the normalization of our two countries in 1991, bilateral relations in the areas of politics, economy, culture, science, and technology have been restored and comprehensively developed. The frequent visits made by high-ranking leaders of the two countries have played a key role in continuously accelerating the development of the neighborly friendly relations and cooperation for mutual benefit between the two countries.

Similar to the Vietnam visit last November by Comrade Jiang

Zemin, CPC general secretary and PRC president, the upcoming official friendship visit to the PRC by General Secretary Do Muoi will be a large event with important significance in the relations of the two parties and nations. The Chinese Government and Party attach the utmost importance to this visit to the PRC by General Secretary Do Muoi, and they have completed all preparatory work for the reception. We hold that the two countries of China and Vietnam share a similar national situation. The two countries are conducting their renovation and applying the open-door policy — which are known as renovation and open-door by you comrades. The great cooperative potential between the two countries enjoys a bright future. We hope and believe that in the upcoming summit, stemming from the great undertaking of maintaining friendship between the two countries and looking to the future and the 21st century, the leaders of the two countries will strive to take the neighborly friendship relations and cooperation for mutual benefit into a new development stage. We sincerely wish fine success for General Secretary Do Muoi on his upcoming PRC visit.

[Correspondent] Recently, the SRV-PRC economic and commercial relation has recorded a progressing step. Could you please clarify this progress?

[Ji Jianguo] After the normalization of PRC-SRV relations in 1991, the governments of the two countries signed 15 agreements relating to the development of the economic and commercial relationship. Through common efforts on both sides, the economic and commercial relation has developed rapidly. The official trade turnover of the two countries increased from more than $30 million in 1991 to $530 million in 1994. The trade turnover in the first nine months of this year reached $710 million, already surpassing last year's total trade turnover. Together with the border trade, it is estimated that the total trade between the two countries will be more than $1 billion this year.

At the same time, cooperation in the economic and labor services [dichj vuj lao doongj] has enjoyed a good start. As of this July, there were 34 Chinese investment projects with the total of $60 million in Vietnam. At present, 38 Chinese companies are granted operation licenses in Vietnam. Companies of the two countries have signed 257 contracts on building construction and labor service with the total amount of $223 million and they have made more than $54 million. They have also actively organized and participated in trade exhibitions in the two countries with good results. Particularly, in 1994, Chinese companies organized 16 exhibitions in Vietnam and Vietnamese companies are actively participating in exhibitions and trade fairs in China.

The aforementioned activities have enhanced the mutual understanding and accelerated the PRC-SRV economic and commercial relation. Generally speaking, despite its speedy development, the PRC-SRV economic and commercial relationship is still not corresponding to the potential and relations of the two countries. The potentials in economic and commercial cooperation between the two countries are very great with bright prospects. They support each other's economy.

[Ji Jianguo continues] Over the past ten years of implementing the open-door policy, the PRC has attracted much advanced technology from Western countries; and local products in fields of electro-mechanic, textile, and others have come closer or have even caught up with the world modern technology. The cheap commodity prices are suitable to Vietnam's needs. The PRC is also a huge market for Vietnam's major goods such as marine products, crude oil, coal, rice, rubber, and so forth, which are the goods the PRC needs to import. What genuinely pleases me was the recent meeting that the PRC and Vietnam held for the first time of the Economic and Trade Cooperation Joint Committee in Hanoi. The committee had intensively discussed the promotion of trading relations between the two countries, and the minutes had been signed.

Accompanying Party General Secretary Do Muoi on his upcoming visit to the PRC will be the deputy prime minister in charge of economic affairs and a number of cabinet ministers as well as a number of businessmen. They will conduct meetings with relevant leaders and business counterparts in the PRC. We believe that with joint efforts and close cooperation between the two sides, economic and trading cooperation between the two countries will definitely be promoted to a new development level.

[Correspondent] Dear comrade, the PRC is now considered a country with a fast economic development. On this occasion, could you please outline some salient features of the PRC's economic achievement?

[Ji Jianguo] During the 17 years of implementing the open-door reconstruction policy, the PRC has resolutely followed the route that employs economic development as the core task, constantly carried our reforms, and further developed the open-door policy. Chinese economic reconstruction has achieved great outcome that draw much of attention from the world. From 1979 to 1994, the PRC's gross domestic product [GDP] grew at an average rate of 9.8 percent. Over the past three years, the average rate was 13.1 percent. People's livelihoods have significantly improved, and the average earnings of people in both urban and rural regions increased by 6.3 percent. In 1994, total import-export values reached $236.73 billion, which increased by 16.5 percent as compared to the previous year.

From January to October this year, total import-export value of the PRC reached $220.96 billion, which is an increase of 24.6 percent in comparison to the same period last year. By September this year, actual investment by foreign countries and territories mounted to $105.4 billion, and foreign currency reserves reached over $70 billion.

This year is the last year of the Chinese eighth five-year plan. Its major objective is to successfully fulfill or exceed the annual plan. Under the leadership of the Communist Party of PRC Central Committee [CPCCC] with Comrade Jiang Zemin at its head, the people of the PRC will continue to follow the 20-word motto: Grab all the opportunities, continue to further carry out reforms, expand the open-door policy, boost development, and always maintain stability. Thanks to the harmonious coordination between reform, development, and stability, the national economy has been developing in a rapid, continual, and healthy manner. The objective of increasing the GDP four-fold in comparison to the year 1980 had been achieved five years before the deadline, which was originally planned for the year 2000.

Not long ago, the 14th CPCCC held it fifth plenary session and set up the ninth five-year plan of 1995-2000 as well as the long- term objectives to the year 2010. The main socioeconomic development targets for the ninth five-year plan are: By the year 2000, with a Chinese population increased by 300 million as compared to 1980, the average GDP growth should be four-fold of that of the year 1980; hunger and poverty will be basically eradicated; and people's livelihood will be heightened to a higher level. The main target for the year 2010 is that the GDP will grow two-fold as compared to the year 2000.

With the efforts that will be exerted in the next 15 years, the social production, state comprehensive power, and the living standards of Chinese people will be lifted to a much higher level.

[Correspondent] Thank you, comrade.

Australia

U.S. Urged To Decide on World Trade Role

BK1811123395 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 9 Nov 95 p 23

[Commentary: "US Holds Keys to World Economic Order" by Heribert Dieter, a Berlin-based economist and author of Australia and APEC: The Integration of the Asian Pacific Economic Area]

[FBIS Transcribed Text] United States trade policy will confront a crucial choice in the next few years. It will either have to swing in favour of the multilateral system or, alternatively, in favour of regionalism.

In recent years observers outside the US have had great difficulty in seeing a clear strategy behind US initiatives. Trying to avoid mistakes, the US participates in everything and decides nothing.

The results of these activities are a mixed blessing: neither is the multilateral system strengthened nor is there a clear support for regional integration.

Since the foundation of the North American Free Trade Area, the US has participated in numerous projects for regional integration.

The start was made in 1989 when APEC [Asia-Pacific Economic Cooperation] was founded in Canberra. It gained momentum with the decision to establish an APEC Free Trade Area by the early part of the next century.

Only four weeks after that decision had been taken in Bogor, 34 American Heads of States (with the exception of Cuba) met in Miami and decided to complete an American Free Trade Area by 2005.

At the moment, the fate of these two projects remains unclear. While the start-up dates for the APEC free trade area are still many years down the track, the completion of the American Free Trade Area [AFTA] is due in little more than nine years. Despite the fact that AFTA does not receive the kind of media attention APEC secured, preparations have started.

These two projects seem to be already more than the global economic system can handle. If both projects were completed, there would be an Asia-Pacific Free Trade Area with easily half the World GDP and an adjoining American FTA with an additional 15 per cent of World GDP. Considering the difficulties involved in regulating trade within FTAs, in reality there would be one great free-trade area centred on the US. Assuming a continuing integration process in Europe, the world economy would be divided in two camps: an American-Pacific bloc on the one side and a European-Russian bloc on the other.

What would be the consequences of such a project? The most obvious one would be that the need for multilateral liberalisation would clearly diminish. There would be direct bargaining between the two blocs instead of complicated multilateral bargaining procedures.

However, there are also great risks involved in such a development. The first is that all the countries that do not participate in one of the blocs will be shunted aside. The world would be more divided than today.

A second and equally frightening risk is the possibility of a confrontation between the two blocs. As we have learnt from the Cold War, a bi-polar world may be stable, but it certainly does not guarantee co-operative and friendly relations between the two poles.

The country that can decide the direction of the World Economic Order more than any other is still the US. The lukewarm support that Washington gives to the WTO [World Trade Organization], the tendency to bilateral trade agreements and the yet unresolved tension between regional arrangements and multilateral agreements have up to now made a further weakening of the multilateral system more likely.

The keys to the future of the world economic order lie in Washington. Neither the Europeans nor the Asians can determine by themselves the fate of the WTO. The only true global player has to decide which game it wants to play.

Nauru

National Elections Begin 18 Nov

BK1811063095 Melbourne Radio Australia in English 0500 GMT 18 Nov 95

[FBIS Transcribed Text] In Nauru, voting has begun in the country's national elections. Nauru with a population of 10,000 elects 18 representatives to parliament from eight districts. The 18 representatives choose the country's next president from among their number. Nauruan electoral officials say voting is proceeding smoothly in all 14 polling booths. The election results will be known tomorrow.

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